

1. Rules Committee Meeting 06-27-2022

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3. Contracts 06-27-2022

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4. Meeting Minutes

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[RULES COMMITTEE, 06-27-22.PDF](#)



PUBLIC NOTICE

PLEASE TAKE NOTICE THAT

THE NASSAU COUNTY LEGISLATURE WILL HOLD

A MEETING OF THE RULES COMMITTEE

ON

MONDAY, JUNE 27, 2022 AT 1:00 PM

IN

**THE PETER J. SCHMITT MEMORIAL LEGISLATIVE CHAMBER
THEODORE ROOSEVELT EXECUTIVE AND LEGISLATIVE BUILDING
1550 FRANKLIN AVENUE, MINEOLA, NEW YORK 11501**

As per the Nassau County Fire Marshal's Office, the Peter J. Schmitt Memorial Legislative Chamber has a maximum occupancy of 200 people. Attendees will be given an opportunity to sign in to address the Legislature. On Committee Meeting days, Public comment will be limited to Agenda items. Public comment on any item may also be emailed to the Clerk of the Legislature at LegPublicComment@nassaucountyny.gov and will be made part of the formal record of this Legislative meeting.

The Nassau County Legislature is committed to making its public meetings accessible to individuals with disabilities and every reasonable accommodation will be made so that they can participate. Please contact the Office of the Clerk of the Legislature at 571-4252, or the Nassau County Office for the Physically Challenged at 227-7101 or TDD Telephone No. 227-8989 if any assistance is needed. Every Legislative meeting is streamed live on <http://www.nassaucountyny.gov/agencies/Legis/index.html>

MICHAEL C. PULTZER
Clerk of the Legislature
Nassau County, New York

DATED: June 20, 2022
Mineola, NY

NASSAU COUNTY LEGISLATURE

14th TERM MEETING AGENDA

RULES COMMITTEE

JUNE 27, 2022 1:00 PM

Richard Nicoletto – Chairman

Howard Kopel – Vice Chairman

Steve Rhoads

Laura Schaefer

Kevan Abrahams – Ranking

Delia DeRiggi-Whitton

Siela Bynoe

Michael C. Pulitzer, Clerk of the Legislature

Clerk Item No.	Proposed By	Assigned To	<u>Summary</u>
A-16-22	PR	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS, AND ACV ENVIRONMENTAL SERVICES. A-16-22
A-18-22	PR	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO APPROVE ADDITIONAL FUNDING FOR A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PARKS, RECREATION AND MUSEUMS, AND EAGLE CONTROL CORP. A-18-22
A-21-22	PR	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF VARIOUS NASSAU COUNTY AGENCIES, AND PATIFCO CORPORATION. A-21-22
B-3-22	PW	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A CONTRACT AMENDMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS AND WELSBACH ELECTRIC CORP. OF L.I. B-3-22
E-68-22	PD	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY POLICE DEPARTMENT, AND SELEX ES, D/B/A ELSAG. E-68-22
E-69-22	AT	R	<u>RULES RESOLUTION NO. -2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE OFFICE OF THE NASSAU COUNTY ATTORNEY, AND THE LAW OFFICE OF VINCENT D. MCNAMARA. E-69-22

Clerk Item No.	Proposed By	Assigned To	<u>Summary</u>
E-70-22	TV	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU ACTING ON BEHALF OF THE TRAFFIC AND PARKING VIOLATIONS AGENCY AND HOWARD S. KREBS. E-70-22
E-71-22	IT	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE COUNTY DEPARTMENT OF INFORMATION TECHNOLOGY, AND ORACLE AMERICA, INC. (“ORACLE”) E-71-22
E-72-22	AT	R	<u>RULES RESOLUTION NO. - 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE OFFICE OF THE NASSAU COUNTY ATTORNEY, AND SOKOLOFF STERN LLP. E-72-22
E-73-22	PK	R	<u>RULES RESOLUTION NO. - 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE COUNTY DEPARTMENT OF PARKS, RECREATION & MUSEUMS, AND ED MOORE ADVERTISING AGENCY, INC. E-73-22
U-3-22	PK	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF PARKS, RECREATION & MUSEUMS AND BACK STAGE PASS MEDIA PRODUCTION, INC. U-3-22

Clerk Item No.	Proposed By	Assigned To	<u>Summary</u>
			THE FOLLOWING ITEMS MAY BE UNTABLED
A-7-22	PR	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS, AND AETNA ELECTRIC. A-7-22
A-13-22	PR	R	<u>RULES RESOLUTION NO. - 2022</u> A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF NASSAU COUNTY DEPARTMENT OF INFORMATION TECHNOLOGY AND PITNEY BOWES, INC. A-13-22
B-1-22	PW	R	<u>RULES RESOLUTION NO. -2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO AWARD AND EXECUTE A CONTRACT BETWEEN THE COUNTY OF NASSAU ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS AND E & A RESTORATION, INC. B-1-22
E-23-22	HS	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE DEPARTMENT OF HUMAN SERVICES, AND CHOICE FOR ALL, INC. E-23-22
E-37-22	PK	R	<u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PARKS, RECREATION AND MUSEUMS, AND BICOASTAL PRODUCTIONS, LLC. E-37-22

Clerk Item No.	Proposed By	Assigned To	<u>Summary</u>
E-54-22	AT	R	<p><u>RULES RESOLUTION NO. – 2022</u> A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE OFFICE OF THE NASSAU COUNTY ATTORNEY, AND KAUFMAN DOLOWICH & VOLUCK, LLP. E-54-22</p>



Staff Summary A-16-2022

Subject: Hazardous Materials Transport Storage and Disposal (S/B 92645-07300-107)	Date: March 24, 2022
Department: Shared Services, Office of Purchasing	Vendor Name: ACV Environmental Services Inc.
Department Head Name: Melissa Gallucci	Contract Number: A-16-2021
Department Head Signature: <i>Melissa Gallucci</i>	Contract Manager Name: Timothy Funaro Buyer

Internal Approvals			
Date & Init.	Approval	Date & Init.	Approval
5/27/2022 <i>OG</i>	CPO		Budget
04/01/2022 <i>GS</i>	County Atty.	6/13/22	County Exec.

Material Adverse Information Identified? [No]

Narrative

Purpose: To authorize and award a blanket purchase order for Hazardous Materials Transport, Storage and Disposal. For the Nassau County Department of Public works.

Discussion: This solicitation was advertised in Newsday, New York State Contract Reporter and posted to the Nassau County Bid Solicitation Board. Minority Affairs was also notified of this solicitation a copy was sent to CSEA.

RECEIVED
 NASSAU COUNTY
 CLERK OF THE LEGIST
 2022 JUN 13 AM 12:00

- Vendors viewed the bid
- 0 Woman owned business 3 Minority (African/American) 5 Small Business
- 0 Service Disabled (Veteran) owned business 1 Veteran Owned Business
- 0 Vendors bid on this solicitation
- 1 Woman owned business 0 Minority 2 Small Business
- 0 Service Disabled (Veteran) owned business 0 Veterans

RECEIVED
 NASSAU COUNTY
 CLERK OF THE LEGISLATIVE
 2022 JUN 10 PM 3:00

The identified lowest responsible bidder, ACV Environmental Services Inc. is not listed in any of the above categories.]

Impact on Funding/Term: The maximum amount authorized under this blanket purchase order, including any renewal options that may be exercised by the Commissioner of Shared Services, shall be Four Million Five Hundred Thousand Dollars (\$4,500,000.00) from general funds PWGEN0240, PWGEN0260, PWGEN0290, PWGEN0320, PWGEN0640, PWDD600 and capital funds PWCAPCAP. The term of this blanket purchase order shall be for a period of one year from the effective date with the Commissioner of Shared Services' option to renew up to an additional four (4) one (1) year periods and an additional two (2) month period, for a total term of five (5) years and two (2) months.

Recommendation: Department of Shared Services, Office of Purchasing recommends an award be given to ACV Environmental Services Inc. as the lowest responsible bidder meeting specifications.

Timothy Funaro
 4/1/22
 6000
 NASSAU COUNTY
 CLERK OF THE LEGISLATIVE

RULES RESOLUTION

A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS, AND ACV ENVIRONMENTAL SERVICES INC.

WHEREAS, the NASSAU COUNTY DEPARTMENT OF SHARED SERVICES, OFFICE OF PURCHASING has received competitive bids under sealed bid solicitation # 92645-07300-107 for Hazardous Materials Transport, Storage and Disposal for the Nassau County Department of Public Works as more particularly described in the bid document; and

WHEREAS, the Commissioner of Shared Services is representing to the Rules Committee that ACV Environmental Services Inc. submitted the lowest responsible bid and meets all specifications for the product and/or services described in the said bid document as determined by the Commissioner of Shared Services.

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the Commissioner of Shared Services to award and execute the said Blanket Purchase Order with ACV Environmental Services Inc.

COUNTY OF NASSAU
INTER – DEPARTMENTAL MEMO

TO: CLERK OF THE COUNTY LEGISLATURE

A-16-2022

FROM: MELISSA GALLUCCI - COMMISSIONER OF SHARED SERVICES

DATE: March 24, 2022

SUBJECT: RESOLUTION – THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS

THIS RESOLUTION IS RECOMMENDED BY THE COMMISSIONER OF SHARED SERVICES TO AUTHORIZE AN AWARD AND TO EXECUTE A BLANKET PURCHASE ORDER IN THE AMOUNT OF FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000.00) ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS TO ACV ENVIRONMENTAL SERVICES INC. FOR HAZARDOUS MATERIALS TRANSPORT, STORAGE and DISPOSAL.

THE ABOVE DESCRIBED RESOLUTION AND SUPPORTING DOCUMENTATION ATTACHED HERETO IS FORWARDED FOR YOUR REVIEW, APPROVAL, AND SUBSEQUENT TRANSMITTAL TO THE RULES COMMITTEE FOR INCLUSION IN ITS AGENDA.


MELISSA GALLUCCI
COMMISSIONER OF SHARED SERVICES

MS: br

- ENCL:
- (1) STAFF SUMMARY
 - (2) DISCLOSURE STATEMENT
 - (3) RESOLUTION
 - (4) BID SUMMARY
 - (5) BID PROPOSAL
 - (6) CERTIFICATE OF LIABILITY INSURANCE
 - (7) RECOMMENDATION OF AWARD
 - (8) POLITICAL CONTRIBUTION FORM





COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:

Jamie Mcilvaine [JMCILVAINE@ACVENVIRO.COM]

Dated: 03/09/2022 03:31:28 PM

Vendor: ACV Environmental Services, Inc.

Title: Sales Operations Manager



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

We do not utilize lobbyists or a lobbying organization.

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

We do not utilize lobbyists or a lobbying organization.

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

We do not utilize lobbyists or a lobbying organization.

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

We do not utilize lobbyists or a lobbying organization.

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

We do not utilize lobbyists or a lobbying organization.

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Jamie McIlvaine [JMCILVAINE@ACVENVIRO.COM]

Dated: 03/14/2022 04:29:50 PM

Vendor: ACV Environmental Services, Inc.

Title: Sales Operations Manager

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses, attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 03/10/2022

1) Proposer's Legal Name: ACV Environmental Services, Inc.

2) Address of Place of Business: 201 S. First St.;

City: Elizabeth State/Province/Territory: NJ Zip/Postal Code: 07206

Country: US

3) Mailing Address (if different): 1500 Rahway Avenue

City: Avenel State/Province/Territory: NJ Zip/Postal Code: 07001

Country: US

Phone: (314) 578-0579

Does the business own or rent its facilities? Own If other, please provide details:

4) Dun and Bradstreet number: 131701732

5) Federal I.D. Number: 11-2710601

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?

YES NO If yes, please provide details:

Clean Venture, Inc. - a wholly owned subsidiary of ACV shares office space, staff, and equipment in some locations

8) Does this business control one or more other businesses?

YES NO If yes, please provide details:

Clean Venture, Inc. - a wholly owned subsidiary

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?

YES NO If yes, please provide details:

1 File(s) Uploaded: Republic Services 10-K Filing.pdf

- 10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

- 11) Has the proposer, during the past seven years, been declared bankrupt?

YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

- 12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

Please see attached explanation of investigations and corrective actions taken.

1 File(s) Uploaded: ACV Enviro - Question 13.pdf

- 14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor? YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions? YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

ACV Enviro does not conduct business in a way where conflicts of interest would arise. Employee resumes are checked and background checks are conducted at hire.

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

09/25/1984

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

ACV Enviro is a privately held corporation incorporated in New York.

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

o Andrew Shackett - President

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

NJ

v) The number of employees in the firm;

900

vi) Annual revenue of firm;

200000000

vii) Summary of relevant accomplishments

ACV Enviro is an industry leader in environmental, emergency response, industrial, and waste management solutions.

viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

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C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

1 File(s) Uploaded: AC62B9~1.PDF

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	State of Massachusetts		
Contact Person	Gustav Pearson		
Address	One Ashburton Place, RM 1017		
City	Boston	State/Province/Territory	NJ
Country	US		
Telephone	(617) 720-3101		
Fax #	(617) 720-3101		
E-Mail Address	gustav.pearson@mass.gov		

Company	State of New Hampshire Department of Administrative Services - Bureau of Purchasing & Property		
Contact Person	Paul Rhodes		
Address	25 Capitol Street, RM 102		
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Attachment to Question 13:

1. On 4/23/2021, ACV was charged with, 8(a)(5) Refusal to Bargain/Bad Faith Bargaining (incl'g surface bargaining/direct dealing) by the National Labor Relations Board. Communications between ACV and the Charging Party resulted in the charge to be withdrawn on 7/8/2021.
2. ACV Environmental Services, Inc. is a sister company to Cycle Chem, Inc. Both companies were purchased in 2016 to create a larger environmental services firm. Before 2016, they were completely separate entities. Regarding the Perk Chemical spill reported occurring sometime between 1981-1985: The NJDEP v. Handy Harman, et. al., matter concerns an electronic component manufacturing facility operated by Handy Harman between 1966 and 1985. NJDEP alleges that these operations resulted in TCE contamination and is seeking damages and injunctive relief under New Jersey's Spill Compensation and Control Act and its Water Pollution Control Act. Cycle Chem, f/k/a Perk Chemical Co., Inc.'s connection to the site is as a former supplier of chemical solvents, including TCE, to defendant Handy Harman's facility. NJDEP alleges that a large amount of TCE was spilled from a Perk Chemical truck sometime between 1981 and 1985. Cycle Chem has no records of this spill. The only known witness has said that he saw the spill occur, and that it was a Perk Chemical truck. This same witness subsequently signed an affidavit stating he remembered a spill but could not specifically recall whether a supplier of TCE had any role in the spill and that his memory of the event was extremely vague. The case is in the discovery stage.

If the spill from a Perk Chemical truck did in fact occur, it is unknown what corrective may have been taken due to the passage of time and loss of records (many Cycle Chem documents were destroyed in Superstorm Sandy). Neither Cycle Chem nor ACV is a current supplier of chemical solvents and thus a similar occurrence is not possible. With respect to modern, ongoing operations, ACV's truck fleet is equipped with all required spill control equipment and meets applicable U.S. Department of Transportation requirements for handling and transporting hazardous waste. Additionally, ACV employees are trained in D.O.T., RCRA and OSHA procedures for handling and transporting hazardous wastes.

3. A recent sexual lawsuit was settled – the terms of which are confidential. ACV Environmental Services, Inc. (ACV Enviro) retained an independent law firm to conduct a prompt and thorough investigation and took corrective actions that were appropriate based on the conclusions of the investigator. ACV Enviro has policies and trainings in place to ensure that our employees conduct themselves professionally and appropriately, including an anti-harassment policy and training, both of which encourage employees to report any concerns of alleged inappropriate conduct as soon as possible. If a concern is raised, the company conducts a prompt and thorough investigation and takes any necessary corrective action as a result of the investigation's findings. Please note that the no governmental agencies were never involved.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-14267

REPUBLIC SERVICES, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

**18500 North Allied Way
Phoenix, Arizona**

(Address of Principal Executive Offices)

65-0716904

(IRS Employer Identification No.)

85054

(Zip Code)

Registrant's telephone number, including area code: (480) 627-2700

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
Common Stock, par value \$0.01 per share	RSG	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

Non-accelerated filer

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2021, the aggregate market value of the shares of the Common Stock held by non-affiliates of the registrant was \$35.0 billion.

As of February 3, 2022, the registrant had outstanding 316,431,349 shares of Common Stock (excluding treasury shares of 3,146,953).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Proxy Statement relative to the 2022 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

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Unless the context requires otherwise, all references in this Form 10-K to Republic, the Company, we, us and our refer to Republic Services, Inc. and its consolidated subsidiaries.

PART I

ITEM 1. BUSINESS

Overview

Republic is one of the largest providers of environmental services in the United States, as measured by revenue. As of December 31, 2021, we operated facilities in 41 states through 356 collection operations, 239 transfer stations, 198 active landfills, 71 recycling processing centers, 3 treatment, recovery and disposal facilities, 3 treatment, storage and disposal facilities (TSDF), 6 salt water disposal wells, and 7 deep injection wells. We are engaged in 77 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills. We were incorporated in Delaware in 1996.

We believe the total addressable environmental services market in which we operate generates approximately \$91 billion of annual revenue, which includes the \$67 billion U.S. recycling and solid waste industry and \$24 billion of the broader environmental services industry. Within our recycling and solid waste business, we prioritize investments in market verticals with above average growth rates and higher return profiles. Environmental services remains fragmented which provides consolidation opportunities to drive scale. We believe we will be able to further expand our addressable market into other segments of the environmental services industry over time by leveraging our differentiated capabilities.

Our operations are national in scope, but the physical collection and recycling or disposal of material is very much a local business and the dynamics and opportunities differ in each of our markets. By combining local operating management with standardized business practices, we drive greater overall operating efficiency across the Company while maintaining day-to-day operating decisions at the local level, closest to the customer.

Our purpose-driven vision is to partner with customers to create a more sustainable world. We believe that our products and services are valuable to our customers and essential for long-term sustainability. We further believe our focus and commitment to sustainability allows us to attract and retain the best talent, win more customers, increase customer loyalty, and ultimately drive higher revenue and profits.

In March 2020, the World Health Organization declared the outbreak of a new strain of coronavirus (COVID-19) a pandemic. The COVID-19 pandemic has impacted the global economy as well as certain aspects of our operations and performance. During this time, we continued to provide essential services to our customers while prioritizing the health and safety of our employees. In April 2020, we launched our Committed to Serve initiative to help our employees, customers and communities across the United States. The impact of COVID-19 on our business and associated costs are discussed in Part II, Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* in this Annual Report on Form 10-K.

Foundational Elements

Our strategy is designed to generate profitable growth by sustainably managing our customers' needs, and it is underpinned by three foundational elements – (1) our market position, (2) our operating model, and (3) our people and talent agenda.

Market Position

Our goal is to develop the best vertically integrated market position to enable us to build density and improve returns. We strive to have a number one or number two market position in each of the markets we serve, or have a clear path on how we will achieve a leading market position over time. In situations where we cannot establish a leading market position, or where operations are not generating acceptable returns, we may decide to divest certain assets and reallocate resources to other markets.

We have a robust market planning process to identify opportunities to grow internally through capital investments and infrastructure development, and externally through acquisitions and public-private partnerships. Additionally, our market planning process allows us to analyze market conditions and proactively adjust to trends as they emerge, including the effects of demographic shifts, and changes in the market and the competitive landscape.

Internal Growth

- **Volume Growth** - We believe volumes are driven by population growth, household formation and new business formation. Volume growth through increases in our customer base and service offerings is the most capital efficient method to grow our business. We seek to obtain long-term contracts for collecting recyclable and solid waste material under residential collection contracts with municipalities, exclusive franchise agreements, and small-container and

large-container contracts. We also look to enter into long-term disposal and recycling processing contracts with municipalities and other third parties. By obtaining such long-term agreements, we can grow our contracted revenue base at a rate consistent with the underlying economic growth in these markets. In addition, by securing long-term agreements, we are better able to help ensure we earn an appropriate return on the capital deployed.

- **Price Increases** - We seek to secure price increases necessary to offset increased costs, improve our operating margins and earn an appropriate return on our substantial investments in vehicles, equipment, landfills, transfer stations and recycling processing centers.
- **Expansion of Recycling Capabilities** - Based on the most recent U.S. Environmental Protection Agency (EPA) data, we believe approximately 32% of municipal solid waste is recycled and/or composted. We expect that percentage to increase over the long-term as communities enhance and expand their recycling programs for their residents. As a key player in the circular economy, we are strategically focused on expanding recycling volume through innovative material handling processes and programs to help our customers achieve their goals related to sustainability and environmentally sound waste practices while also generating an appropriate return. We will continue to look for opportunities to expand or enhance our recycling capabilities in markets where customers are demanding these services and demonstrating a willingness to pay, and we can earn an appropriate return on our investment.
- **Infrastructure Development** - We seek to identify opportunities to further our position as a vertically integrated service provider in markets where we are not fully integrated. Our goal is to create market-specific, vertically integrated operations typically consisting of one or more collection operations, transfer stations, landfills and recycling processing centers. Where appropriate, we seek to obtain permits to build transfer stations, recycling processing centers and landfills that would vertically integrate our waste services or expand the service areas for our existing disposal sites. Additionally, we seek opportunities to expand and permit new airspace at our existing landfills in order to replace airspace consumed. Development projects, while generally less capital intensive than acquisitions, typically require extensive permitting efforts that can take years to complete with no assurance of success. We undertake development projects when we believe there is a reasonable probability of success and where reasonably priced acquisition opportunities are not available. Through landfill and fleet innovation, recycling and circularity of key materials, and renewable energy production, we're committed to environmentally responsible operations that increase our efficiency as well as our ability to partner with customers to create a more sustainable world.

External Growth

- **Acquisitions and Public-Private Partnerships** - Our acquisition growth strategy focuses primarily on acquiring privately held recycling and solid waste companies and environmental solutions businesses that complement our existing business platform. We believe our ability to successfully complete these acquisitions is enhanced by the challenges facing many privately-held companies, including increasing competition in the environmental services industry, increasing capital requirements due to changes in regulatory requirements and technology and the limited number of exit strategies for privately-held companies. We also evaluate opportunities to acquire operations and facilities that are being divested by other publicly-owned companies.

We continue to invest in value-enhancing acquisitions in existing markets. Given our free cash flow, availability under our credit facilities and our ability to access the public capital markets, we have the financial flexibility to make additional acquisitions that will complement our existing business platform, including larger acquisitions if the right opportunities present themselves.

We also focus on growth through public-private partnerships, which include the recycling and waste operations and facilities of municipal and other local governments. We believe over time we have an opportunity to acquire operations and facilities from municipalities and other local governments, as they seek to raise capital and/or reduce risk.

We realize synergies from consolidating businesses into our existing operations, whether through acquisitions or public-private partnerships, which allows us to reduce capital expenditures and expenses associated with truck routing, personnel, fleet maintenance, inventories and back-office administration.

Operating Model

Our operating model allows us to deliver a consistent, high-quality service to all our customers through the Republic Way: *One Way. Everywhere. Every Day.* This approach of developing standardized processes with rigorous controls and tracking allows us to leverage our scale and deliver durable operational excellence. The Republic Way is the key to harnessing the best of what we do as operators and translating that across all facets of our business. Key elements of our operating model are our organizational structure, safety, fleet automation, compressed natural gas vehicles, fleet electrification and standardized maintenance.

Organizational Structure

A key enabler of the Republic Way operating model is our organizational structure that fosters a high performance culture by maintaining 360-degree accountability and full profit and loss responsibility with local management, supported by a functional structure to provide subject matter expertise. This structure allows us to take advantage of our scale by coordinating functionally across all of our markets, while empowering local management to respond to unique market dynamics.

Through this operating model, we have rolled out several productivity and cost control initiatives designed to deliver the best service possible to our customers in an efficient and environmentally sound way.

Safety

Republic is dedicated to the safety of our employees, customers and the communities we serve. We have a dedicated team of safety professionals at our corporate headquarters and in our field operations, the leader of which reports directly to our Chief Operating Officer. Due to the nature of our industry, we make safety a top priority and we recognize and reward employees for outstanding safety records. Over the past 10 years, our safety performance (based on OSHA recordable rates) has been 38% better than the industry average. Our *Think, Choose, Live* slogan encapsulates our everyday safety messaging to our employees to: *Think* about what you are doing, *Choose* the safe answer, and *Live* to go home to your family. With the phrase printed on numerous items, including hard hats and the equipment our employees touch, there are constant reminders for employees to go home in the same condition in which they came to work. Our goal is to ensure every one of our employees returns home safely each night.

Through our Safety Amplified program, we are providing even more tools and driving even greater awareness to help our teams better execute our safety standards. Regular training, multifaceted programs and strategic partnerships are key components to this program. It is simple by design and comprised of actions and activities that ensure safety is embedded in all we do. The program includes six initiatives to help us achieve our goal to have zero employee fatalities and reduce our OSHA Total Recordable Incident Rate.

- **Focus Together:** This effort is the very core of our safety program and is designed to help frontline employees eliminate the six most common types of serious incidents.
- **Lead Together:** We provide best-in-class communication channels and advanced training techniques for all frontline supervisors and managers to help them guide their teams.
- **Partner Together:** Staying safe requires involvement by employees at all levels. We've increased leadership visits with frontline employees and supervisors to support each divisions' safety goals.
- **Celebrate Together:** We take pride in recognizing employees who demonstrate a relentless commitment to safety. Employees with the best driving records are eligible for the industry's most prestigious award, the National Waste & Recycling Association's Driver of the Year. Republic drivers have won 72% of the Driver of the Year awards issued for the large truck category since 2009. In addition, our best drivers are recognized and rewarded with competing in our National Road-EO competition.
- **Analyze Together:** We analyze real-time data to make short- and long-term decisions and identify opportunities for improvement. Examples include analysis of roadway awareness training, data mapping and other employee protection and preparedness insights.
- **Innovate Together:** We employ the latest technologies in our fleet, including automation, rear cameras, in-cab backup alarms, and event recording systems and take a data-driven approach to support our employees. We're also working with equipment manufacturers to incorporate safety elements such as seat belt alarms, blind spot awareness, lane departure alarms and other potentially lifesaving equipment in our fleet.

We believe our Safety Amplified program will provide additional benefits for our Company and stakeholders including:

- further strengthening relationships within the communities we service;
- enhancing customer trust;
- streamlining operational processes and increasing productivity;
- delivering a reputational advantage, including positioning our Company as an employer-of-choice;
- building and sustaining a safety culture in all areas of our business; and
- contributing to employee engagement.

For more information regarding our safety performance, refer to our Sustainability Accounting Standards Board (SASB) report, which can be found at republicservices.com/sustainability. The information contained on our website shall not be deemed

incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Securities Exchange Act of 1934, as amended (Exchange Act).

Fleet Automation

Approximately 77% of our residential routes have been converted to automated single-driver trucks. By converting our residential routes to automated service, we reduce labor costs, improve driver productivity, decrease emissions and create a safer work environment for our employees. Additionally, communities using automated vehicles have higher participation rates in recycling programs, thereby complementing our initiative to expand our recycling capabilities.

Compressed Natural Gas (CNG) Vehicles

Approximately 21% of our fleet operates on CNG. Approximately 13% of our replacement vehicle purchases during 2021 were CNG vehicles. We believe using CNG vehicles provides us a competitive advantage in communities with strict clean emission initiatives that focus on protecting the environment. Although upfront capital costs are higher, using CNG vehicles reduces our overall fleet operating costs through lower fuel expenses. As of December 31, 2021, we operated over 40 CNG fueling stations.

Fleet Electrification

We are taking a leadership position in electric technology innovation for our fleet. This is a critical step toward reducing our environmental impact through lower fleet emissions, and we believe it will also improve our total cost of ownership while providing a competitive advantage in certain communities. We are partnering with multiple manufacturers to pilot electric-powered recycling and solid waste trucks. As electric vehicle technology continues to develop, we will further deploy electrification to our fleet.

Standardized Maintenance

Based on an industry trade publication, we operate the fifth largest vocational fleet in the United States. As of December 31, 2021, our average fleet age in years, by line of business, was as follows:

	Approximate Number of Vehicles	Approximate Average Age
Residential	7,000	7.3
Small-container	4,900	6.7
Large-container	4,500	8.8
Total	16,400	7.6

OneFleet, our standardized vehicle maintenance program, enables us to use best practices for fleet management, truck care and maintenance. Through standardization of core functions, we believe we can minimize variability in our maintenance processes, resulting in higher vehicle quality and a lower environmental footprint, while extending the average service life of our fleet. Additionally, our focus on preventative maintenance is improving the reliability of our fleet and enabling us to provide superior service to our customers, differentiating us from our competition.

People and Talent Agenda

Being human-centered is at the core of our robust people and talent agenda. We strive to maintain an environment that attracts and retains the best talent. Our over 35,000 full-time employees are a critical component in successfully executing our strategy and running our operations. We aspire to always be a company where the best people, with exceptional talents and diverse backgrounds, can thrive, and we foster a culture of caring where people feel respected, supported, and encouraged to bring their best selves to work.

We are dedicated to driving our people and talent agenda, which includes (1) representing the diversity of the communities we serve and sustaining a safe and inclusive culture, (2) maintaining a highly engaged workforce, (3) developing our talent through learning and development experiences, and (4) offering rewards that attract and retain the best workforce. We review key progress metrics such as representation, engagement and turnover and regularly report on these metrics to our Board of Directors. This level of reporting holds all of our leaders accountable for the continued growth and development of our people.

Inclusion and Diversity

We believe the composite strength of our employees' ideas – built on their unique experiences and backgrounds – is essential to our ability to meet and anticipate our customers' needs. We are proud of the diversity of our front-line workforce, as it closely represents the demographics of the communities we serve. We are relentless in our focus to improve representation of diverse groups across all levels of the Company. Our commitment to inclusion and diversity starts at the top of our organization, as outlined in our Mission of Supporting an Inclusive Culture (MOSAIC), established in 2013, and supported by the MOSAIC Council. The MOSAIC Council consists of leaders from across the Company who serve as ambassadors and thought partners

for inclusion and diversity. This enables us to continue to develop new strategies and activities that are tied to the needs of our employees, customers and business with the goal of creating an even more inclusive work environment and diverse workforce.

We support inclusion and connectivity for our diverse populations through our business resource groups, including Women of Republic, VALOR (Veterans, Advocacy, Learning, Outreach and Recruiting), and the Black Employee Network (BEN). Given the representation of LatinX employees in our workforce and the desire to create community amongst this valued population, we launched Unidos in the summer of 2021. While business resource groups help to drive a more inclusive environment for our diverse populations, we remain committed to driving inclusion for all of our employees.

As the nation continues to experience inflection points in race relations, we are well-positioned to address the call for social justice because it aligns with our human centered values and is reinforced by our existing commitment to advancing and supporting Black employees and Black communities.

In 2021, we continued our focus on providing programs and virtual events to advance awareness, education and connectivity across our workforce. Our "Let's Talk" series, which has had over 10,000 virtual attendees, is aimed at furthering our employees' understanding and empathy related to the topic of inclusion and diversity. In conjunction with this series, we launched "Let's Connect" – an opportunity for employees and diverse groups to share their unique experiences and perspectives directly with our CEO. We will continue to offer opportunities to help our employees conduct courageous and authentic conversations with one another, and we are committed to maintaining a work environment where people of all backgrounds feel valued and safe to share their perspectives.

Employee Engagement

We believe an engaged workforce is a key element of our success as engaged employees deliver better customer service and are more productive. We measure employee engagement through a third-party survey, assessing employee sentiment on a variety of topics such as pride for the Company, job satisfaction and intention to stay. Our data reinforces that business units with a highly engaged workforce experience less turnover. We also found that employees whose leaders are highly inclusive are more likely to speak up and share their perspective. Regularly hearing from our employees allows us to understand how to support and strengthen an exceptional employee experience. Our goal is to achieve and maintain employee engagement scores at or above 88% by 2030. Our employee engagement score was approximately 84% in 2021, which is above national benchmarks by almost eight points. Approximately 98% of our employees participated in the engagement survey process in October 2021 which represented an all-time high participation rate, compared to approximately 92% in April 2021. Employee engagement is a core part of our business strategy, which is why we compensate our General Managers on their employee engagement scores. This reinforces our commitment for leaders to listen and take action on employee feedback and helps to ensure that our leaders are held accountable and rewarded for their efforts to drive a more engaged workforce.

Talent Development

We are committed to providing our employees with opportunities to develop throughout their careers. Our programs, including new hire onboarding and new leader assimilation, reinforce our Company values, expectations, and business approach. Targeted development experiences support the growth of people in key roles, including Driver Training, Technician Training, Supervisor Training, Sales Acceleration, General Manager Onboarding, and more. We believe these programs provide the fundamental skills necessary to be successful across roles. In order to meet the specific needs of the business, in July 2021, we opened a comprehensive Technical Training Institute where we are able to train and develop technicians. In 2021, 20 technicians participated in the program.

Our leadership programs are a critical part of growing our people. We remain focused on attracting, hiring and developing early career leaders. Our rotational training and development programs, including our General Manager Acceleration Program and Leadership Trainee Program, help us attract, develop and advance a diverse and talented pool of individuals from across our organization. Our Executive Leadership team sponsors these programs, providing visibility and support for the career advancement of our high-potential talent across the organization. Since the beginning of these programs in 2017, approximately 60 leaders have graduated into leadership positions. We have found that these programs and experiences help ensure that the next generation of leaders build the necessary skills and experiences to be successful in their roles today, and in the future.

We continue to leverage innovative training methods using mixed mediums to deliver trainings and instruction to our employees across the country. We remain committed to expanding employee participation in learning programs that are relevant to our business strategy and contribute to career advancement for our employees.

As we continue to grow as a Company, we are investing in new technology and tools so employees can do their jobs safely and effectively, while providing day-to-day stability and professional development.

Rewards

We offer compensation and benefits that help improve our employees' overall financial, physical, and emotional wellbeing, as well as recognize hard work with opportunities to grow. Our commitment to paying market competitive wages enables us to

attract and hire talent all across the country, including an expansion of many opportunities to work remotely. Our approach to paying for performance supports our focus on pay equity. Our compensation packages are designed to provide employees with a stable and livable wage and growth potential. Our focus on wellness also provides our employees with access to preventative care, advice on financial planning and support for mental health, contributing to our efforts to provide a total rewards package that improves and enhances the lives of our employees.

Differentiating Capabilities

To effectively execute our strategic plan, we prioritize the development and investment in capabilities that will differentiate us in the marketplace. These capabilities include – (1) customer zeal, (2) digital, and (3) sustainability.

Customer Zeal

The goal of customer zeal is to drive customer loyalty by offering differentiated products and services specifically designed to meet our customers' needs. We believe this increases customer satisfaction and willingness to pay for a higher value service. Customer Zeal is a cultural commitment to enable and empower our employees to own their role in the customer experience.

To help our sales team identify specific customer needs and configure the right offering, we use a Priority Based Selling (PBS) technique and our Capture pricing tool nationwide.

- PBS enables us to identify and segment customers' buying priorities, and attract customers that are willing to pay for enhanced offerings.
- Capture is a cloud-based pricing tool that creates a more professional sales experience, helps realize better pricing levels at the point of sale and provides enhanced controls over the price quoting process.

In response to our customers' requests, we expanded our suite of products to include electronics recycling and universal recycling. For those services that we don't provide, we fulfill demand through our alliance partnerships while maintaining the customer facing relationship.

To help ensure a consistent customer experience, we invested in our customer service capabilities and our centralized Customer Resource Center. This state-of-the-art center and the technology it employs provide our customer service employees with the tools and capabilities they need to provide better levels of service through a variety of communication channels. These centers enhance the customer experience and provide us a platform to reduce the cost to service our customers.

To help ensure our efforts are making an impact and building customer loyalty, we solicit feedback from our customers, including Net Promoter ScoreSM, so that every General Manager receives recent, relevant feedback that allows him or her the ability to reach out to customers directly and address issues immediately.

Digital

The goal of our digital priority is to allow us to provide a consistent experience across our business while enabling our customers to do business with us through more channels and with better access to information.

By increasing the ease of use and functionality of our web-based market presence, we believe we enhance customer satisfaction, interaction, and connectivity while lowering our costs. These tools reinforce to our customers that they can rely on us to handle their recycling and waste service needs in a way that is easy and convenient for them.

- Our website and mobile app are online account management tools, allowing customers access to their accounts and our services.
- Our e-commerce sales channel allows customers to secure services on a real-time basis, provides capabilities to meet our customers' evolving buying preferences, and provides a lower cost sales channel.

We are also leveraging technology to digitally connect our customers, drivers, dispatchers, supervisors and trucks via our "RISE" dispatch platform and in-cab technology. We are utilizing an agile iterative approach to the development and multi-year roll-out of this technology to ensure durable adoption and an appropriate return on our investment. With the roll-out of this technology we will improve productivity through more real-time routing information and data visualization tools, increase customer connectivity and enable automated service verification communications, and enhance the employee experience by providing better tools and technology designed around employee interaction. The implementation of the "RISE" dispatch platform was substantially completed in 2020. The rollout of the "RISE" in-cab technology enhancements across our collection fleet will continue through 2023.

Sustainability

The goal of our sustainability strategic pillar is to provide our customers with sustainable solutions that support a cleaner, safer, and healthier world. We have long been a leader in environmental services and sustainability. We introduced our Elements of

Sustainability, the foundation of our sustainability platform, in 2014. Our elements - Safety, Talent, Climate Leadership, and Communities - are deeply integrated into our business and anchor our ambitious 2030 sustainability goals.

Our Board of Directors' Sustainability & Corporate Responsibility Committee has oversight responsibility with respect to our sustainability performance, our corporate responsibilities, our role as a socially responsible organization and our enterprise risks, including cyber security, environmental, climate related risks and opportunities, and reputational risks. The Committee meets at least quarterly to be updated on progress and conducts a formal comprehensive review of the Company's performance in these areas on an annual basis.

Our 2030 Sustainability Goals

As we grow, so does our opportunity to make a meaningful, positive impact on the environment and society. Our ambitious 2030 goals are aligned with the UN Sustainable Development Goals⁽¹⁾ and have guided our strategy since 2019. Each goal is aligned with one of the Company's elements of sustainability, and together they are designed to significantly benefit the environment and society, while enhancing the foundation and profitability of our business for the long-term.

- *Safety Amplified:* Achieve zero annual employee fatalities and reduce OSHA Total Recordable Incident Rate (TRIR) to 2.0 or less by 2030
- *Engaged Workforce:* Achieve and maintain employee engagement scores at or above 88% by 2030
- *Science Based Target:* Reduce absolute Scope 1 and 2 greenhouse gas emissions 35% by 2030⁽²⁾, approved by SBTi⁽³⁾, with an interim goal of achieving a 10% reduction by 2025
- *Circular Economy:* Increase recovery of key materials by 40% on a combined basis by 2030⁽²⁾
- *Renewable Energy:* Increase beneficial reuse of biogas by 50% by 2030⁽²⁾
- *Charitable Giving:* Positively impact 20 million people by 2030⁽²⁾

We believe that reducing our impact on the planet and improving the quality of life for its inhabitants are the right things to do, and they are also necessary actions to ensure a vibrant future for our organization.

Refer to our Sustainability, Task Force on Climate-Related Financial Disclosures (TCFD), SASB, and Global Reporting Initiative (GRI) Reports and CDP Climate Change Questionnaire for updates regarding our progress towards these goals, which can be found at republicservices.com/sustainability. The information contained on our website shall not be deemed incorporated by reference in this Annual Report on Form 10-K or in any other filing we make under the Exchange Act.

(1) We have aligned our 2030 goals with the following UN Sustainable Development Goals: (8) Decent Work and Economic Growth, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production and (13) Climate Action.

(2) Data points used 2017 as the baseline year.

(3) SBTi, or Science Based Targets initiative, is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

Cash Utilization Strategy

We take a consistent and balanced approach to capital allocation to drive long-term, sustainable value for our shareholders. The predictability of our free cash flows allows us to efficiently execute our capital allocation strategy, which includes investing in acquisitions and returning free cash flow to our shareholders through dividends and share repurchases. We are committed to an efficient capital structure and maintaining our investment grade credit ratings on our senior debt, which was rated BBB+ by Standard & Poor's Ratings Services, BBB by Fitch Ratings, Inc. and Baa2 by Moody's Investors Service, Inc. as of December 31, 2021. Such ratings have allowed us, and should continue to allow us, to readily access capital markets at competitive rates.

We manage our free cash flow by ensuring that capital expenditures and operating asset levels are appropriate in light of our existing business and growth opportunities, and by closely managing our working capital.

Dividends

In July 2021, our Board of Directors approved an increase in the quarterly dividend to \$0.46 per share, which represents an increase of approximately 8% over the prior year. Over the last five years, our dividends have increased at a compounded annual growth rate of 5.9%. We expect to continue paying quarterly cash dividends and may consider additional dividend increases if we believe they will enhance shareholder value.

Share Repurchases

In October 2020, our Board of Directors approved a \$2.0 billion share repurchase authorization effective starting January 1, 2021 and extending through December 31, 2023. Share repurchases under the current program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. On a quarterly basis, our Board of Directors reviews the intrinsic value of our stock and the parameters around which we repurchase our shares. Refer to *Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities* for repurchase authority remaining as of December 31, 2021.

Shareholder Value

We are committed to creating long-term shareholder value by generating consistent earnings and cash flow growth, while continually improving returns on invested capital. Our incentive compensation programs are aligned with these objectives at all levels of management. We have an active shareholder outreach program and routinely interact with shareholders on a number of matters, including environmental, social, governance, and executive compensation.

Management Team

We believe that building and blending a diverse team of strong industry veterans, along with talented people from other industries who bring unique skill sets, will contribute to what we call our Composite Strength. Composite Strength combines the vast, varied experience and capability of both strong environmental services industry veterans and talented people from other industries. Additionally, Composite Strength helps ensure the continuity of leadership and preservation of institutional knowledge, while also bringing in skills and new ideas from other companies outside of our industry - many of them from leading companies.

Jon Vander Ark was named Chief Executive Officer in 2021. Since joining Republic in 2013, Mr. Vander Ark has held management roles of increasing responsibility, including Executive Vice President, Chief Marketing Officer, Executive Vice President, Operations, Executive Vice President, Chief Operating Officer, President and his current role as President and Chief Executive Officer. Prior to joining the Company, he served as a partner at McKinsey & Company's Detroit office, managing clients across a variety of industries, including transportation, logistics, manufacturing and consumer products.

Brian Bates was named Executive Vice President, Chief Development Officer in February 2015. Mr. Bates has been with Republic for over 20 years, serving as Executive Vice President, Business Development from December 2008 to February 2015, and Vice President, Corporate Development from 1998 to December 2008. Prior to his time at Republic, Mr. Bates held roles of increasing responsibility in finance and business development for Ryder System, Inc. from 1993 to 1998, and served as chief financial officer for EDIFEX & VTA Communications from 1988 through 1993. Prior to that, Mr. Bates was an accountant for PwC (formerly Price Waterhouse) from 1986 to 1988. Mr. Bates serves on the Board of Directors of Insurance Auto Auctions, Inc.

Sumona De Graaf was named Executive Vice President, Chief Human Resources Officer effective January 2022. Ms. De Graaf joined the Company in January 2020 as Senior Vice President and Chief Human Resources Officer where she was responsible for overseeing and executing our talent strategy. Prior to joining the Company, Ms. De Graaf worked for ghSMART advising

boards and coaching executive leaders. Before ghSMART, Ms. De Graaf was the Global Head of Career Development at Bloomberg LP and held roles in learning and diversity for both American Express and Goldman Sachs.

Brian DelGhiaccio was named Executive Vice President, Chief Financial Officer in June 2020. Mr. DelGhiaccio has over 20 years of experience in a variety of roles of increasing responsibility. He was named Executive Vice President and Chief Transformation Officer in June 2019. Before that, Mr. DelGhiaccio served as Vice President, Investor Relations from 2012 to 2014, progressed to Senior Vice President, Finance from 2014 to 2017 and then to Senior Vice President, Business Transformation in 2017. Prior to his time at Republic, Mr. DelGhiaccio was a senior consultant with Arthur Andersen.

Catharine D. Ellingsen was named Executive Vice President, Chief Legal Officer, Chief Ethics & Compliance Officer, and Corporate Secretary in June 2016. Ms. Ellingsen joined the Company as Corporate Counsel in August 2001 and has experience in a variety of roles of increasing responsibility. She was named Managing Corporate Counsel in January 2003, Director, Legal and Associate General Counsel in January 2005, and Vice President and Deputy General Counsel in June 2007. Ms. Ellingsen was named Senior Vice President, Human Resources in August 2011 and served in that position until June 2016. Before joining the Company, Ms. Ellingsen was an attorney at Steptoe & Johnson LLP from 1996 to 2001 and at Bryan Cave LLP from 1993 to 1996. Ms. Ellingsen serves on the Boards of Directors of Bunker Hill Group, Nebraska Distributing Company and Daseke, Inc.

Amanda Hodges was named Executive Vice President, Chief Marketing Officer in November 2020. In this role, Ms. Hodges oversees marketing, communications, product development, customer engagement, and revenue management for the Company. Prior to joining Republic, Ms. Hodges spent 15 years in leadership roles for Dell Technologies, most recently serving as Senior Vice President of North America Marketing and the Global Executive Briefing Program. Before joining Dell, Ms. Hodges worked as a consultant for McKinsey & Company.

Jeffrey A. Hughes was named Executive Vice President, Chief Administrative Officer in December 2008. Before that, Mr. Hughes served as Senior Vice President, Eastern Region Operations for Allied Waste Industries, Inc. (Allied) from 2004 until the Allied acquisition in December 2008. Mr. Hughes served as Assistant Vice President of Operations Support for Allied from 1999 to 2004 and as a District Manager for Allied from 1988 to 1999. Mr. Hughes has over 29 years of experience in the solid waste industry.

Katrina Liddell was named Executive Vice President, Chief Commercial Officer in June 2021. In this role, she is responsible for leading the Company's Sales organization, which includes Field Sales, National Accounts, Manufacturing and Environmental Services, and Municipal Services. She also oversees the Customer Resource Centers. Prior to joining the Company, Ms. Liddell held the role of President, Global Forwarding and Expedite for XPO Logistics Inc., a global transportation and contract logistics company. Before joining XPO, Ms. Liddell spent 14 years with Johnson Controls International, where she held senior leadership roles in enterprise account management, vertical market development, operations, product development and customer relations.

Tim Stuart was named Executive Vice President, Chief Operating Officer in May 2019. Prior to his current role, Mr. Stuart served as Executive Vice President, Operations from January 2016 to May 2019, where he was responsible for maximizing field performance, executing the operating plan, and achieving financial and operational results across the Company. Mr. Stuart has over 20 years of experience in the waste industry. He previously served as the Company's East Region President from September 2013 to January 2016. He joined Republic in April 2006 as Director of Operations, and has held a variety of roles with the Company, including Area President, Vice President of Customer Experience, and Region Vice President. Mr. Stuart serves on the Board of Directors of Romeo Power, Inc.

Our local and area management teams have extensive industry experience in growing, operating and managing environmental services companies and have substantial experience in their local geographic markets. This allows us to quickly respond to and meet our customers' needs and stay in touch with local businesses and municipalities. We believe our strong area management teams allow us to effectively and efficiently drive our initiatives and help ensure consistency throughout the organization. Our area management teams and area presidents have extensive authority and responsibility over operations within their respective geographic markets. As a result of retaining experienced managers with extensive knowledge of and involvement in their local communities, we are proactive in anticipating customers' needs and adjusting to changes in our markets. We also seek to implement the best practices of our various business units throughout our operations to continue improving our operations and our operating margins.

Integrated Operations

We have a strong, national, vertically-integrated operating platform that allows us to compete more effectively and efficiently in the local markets in which we operate. Where appropriate, we seek to achieve a high rate of internalization by controlling material streams from the point of collection through recycling processing or disposal. During the year ended December 31, 2021, approximately 68% of the total solid waste volume we collected was disposed at landfills we own or operate (internalization). Our fully integrated markets generally have a lower cost of operations and more favorable cash flows than our

markets that are not fully integrated. Through acquisitions, landfill operating agreements and other market development activities, we create market-specific, vertically-integrated operations typically consisting of one or more collection operations, transfer stations and landfills. We also operate recycling processing centers in markets where diversion of waste is a priority, customers are willing to pay for the service, and we can earn an appropriate return on our investment.

Our operations primarily consist of providing environmental services, including the collection and processing of recyclable materials, collection, transfer and disposal of non-hazardous solid waste, and other environmental solutions.

Collection Services

We provide residential, small-container, and large-container collection services through 356 collection operations. In 2021, approximately 74% of our total revenue was derived from our collection business, of which approximately 22% of our total revenue related to residential services, approximately 30% related to small-container services, and approximately 21% related to large-container services.

Our residential collection business involves the curbside collection of material for transport to transfer stations, or directly to landfills, recycling processing centers, or organics processing facilities. We typically perform residential collection services under contracts with municipalities, which we generally secure through competitive bids, which give us exclusive rights to service all or a portion of the homes in the municipalities. These contracts usually range in duration from one to five years, although some of our exclusive franchises are for significantly longer periods. We also perform residential services on a subscription basis, in which individual households contract directly with us. The fees received for subscription residential collection are based primarily on the market, collection frequency, type of service, the distance to the disposal facility and the cost of disposal. In general, subscription residential collection fees are paid quarterly in advance by the customers receiving the service.

In our small-container business, we supply our customers with recycling and waste containers of varying sizes. We typically perform small-container collection services under one- to three-year service agreements, and fees are determined based on a number of factors including the market, collection frequency, type of equipment furnished, type and volume of the material collected, transportation costs and the cost of processing or disposal. Our small-container services are typically offered to small business complexes, multi-family housing and strip malls, and include industries such as restaurants, retail, real-estate, and professional and other services.

Our large-container collection business includes both recurring and temporary customer relationships. For the recurring portion, we supply our customers with recycling and waste containers of varying sizes and rent compactors to large generators of material. We typically perform the collection services under one- to three-year service agreements, and fees are determined based on a number of factors including the market, collection frequency, type of equipment furnished, type and volume or weight of the material collected, transportation costs and the cost of disposal. Our recurring large-container services are typically offered to larger facilities, hotels and office buildings, and include industries such as manufacturing, retail, hospitality, professional and other services.

For the temporary portion of our large-container collection business, the majority of the material relates to construction and demolition activities and is typically event-driven. We provide temporary collection services on a contractual basis with terms ranging from a single pickup to one-year or longer.

Transfer Services

We own or operate 239 transfer stations. Revenue at our transfer stations is primarily generated by charging tipping or disposal fees, which accounted for approximately 6% of our revenue during 2021. Our collection operations deposit material at these transfer stations, as do other private and municipal haulers, for compaction and transfer to disposal sites or recycling processing centers. Transfer stations provide collection operations with a cost effective means to consolidate material and reduce transportation costs while providing our landfills with an additional mechanism to extend their geographic reach.

When our own collection operations use our transfer stations, this improves internalization by allowing us to retain fees we would otherwise pay to third-party disposal sites. It also allows us to manage costs associated with material disposal because: (1) transfer trucks have larger capacities than collection trucks, allowing us to deliver more material to the landfill or processing center in each trip; (2) material is accumulated and compacted at strategically located transfer stations to increase efficiency; and (3) we can retain volume by managing the material to one of our own landfills or processing centers rather than to a competitor's.

Landfill Services

We own or operate 198 active landfills. Our landfill tipping fees charged to third parties accounted for approximately 13% of our revenue during 2021. As of December 31, 2021, we had 39,618 permitted acres and total available permitted and probable expansion disposal capacity of 5.0 billion in-place cubic yards. The in-place capacity of our landfills is subject to change based

on engineering factors, requirements of regulatory authorities, our ability to continue to operate our landfills in compliance with applicable regulations, and our ability to successfully renew operating permits and obtain expansion permits at our sites. Some of our landfills accept non-hazardous special waste, including utility ash, asbestos and contaminated soils.

Most of our active landfill sites have the potential for expanded disposal capacity beyond the currently permitted acreage. We monitor the availability of permitted disposal capacity at each of our landfills and evaluate whether to pursue an expansion at a given landfill based on estimated future waste volumes and prices, market needs, remaining capacity and the likelihood of obtaining an expansion. To satisfy future disposal demand, we are seeking to expand permitted capacity at certain landfills; however, all proposed or future expansions may not be permitted.

Republic is committed to harnessing landfill gas, the natural byproduct of decomposing waste, and converting it to energy. The use of landfill gas provides economic and environmental benefits, including reducing greenhouse gas emissions through the capture and use of methane. As of December 31, 2021, we operated 77 landfill gas and renewable energy projects. The majority of these projects were developed and are owned by a third party.

We also have responsibility for 124 closed landfills, for which we have associated closure and post-closure obligations.

Recycling Processing Services

We own or operate 71 recycling processing centers. These centers generate revenue through the processing and sale of old corrugated containers (OCC), old newsprint (ONP), aluminum, glass and other materials, which accounted for approximately 4% of our total revenue during 2021. Approximately 80% of our total recycling processing center volume is fiber based and includes OCC, ONP and other mixed paper. During 2021, we processed and sold 2.2 million tons, excluding glass and organics, from our recycling processing centers. An additional 2.1 million tons were collected by us and delivered to third parties. We are investing in advanced recycling technology and have expanded our organics operations to help customers meet their diversion goals, processing and selling 1.0 million tons of organic material from our recycling processing centers in 2021.

Changing market demand for recycled commodities causes volatility in commodity prices. At current volumes and mix of materials, we believe a \$10 per ton change in the price of recycled commodities would change annual revenue and operating income by approximately \$22 million and \$10 million, respectively.

In certain instances, we issue recycling rebates to our municipal or large-container customers, which can be based on the price we receive upon the final sale of recycled commodities, a fixed contractual rate or other measures. We also receive rebates when we dispose of recycled commodities at third-party processing facilities.

As consumer demand for recycling services has increased, we have met that demand by integrating recycling components into each of our collection service offerings. Our goal is to provide a complete material stream management solution to our customers in a vertically integrated, environmentally sustainable way.

We continue to invest in proven technologies to control costs and to simplify and streamline recycling for our customers. For example, robotics and advanced sorting equipment, such as disk screens, magnets and optical sorters, identifies and separates different kinds of paper, metals, plastics and other materials to increase efficiency and maximize our recycling efforts.

Environmental Solutions

In addition to certain of our landfill disposal sites, we own or operate 3 treatment, recovery and disposal facilities, 3 treatment, storage and disposal facilities, 6 salt water disposal wells and 7 deep injection wells. Environmental solutions volume is generated by the daily operations of industrial, petrochemical and refining facilities, including maintenance, plant turnarounds and capital projects. Additionally, it is generated from the by-products of oil and natural gas exploration and production activity. We provide these customers with environmentally responsible solutions to manage their waste needs including treatment, consolidation and disposal of solid and liquid material, field and industrial services, rental, and in-plant services, such as transportation and logistics. In 2021, approximately 2% of our revenue was derived from environmental solutions.

Other Services

Other revenue consists primarily of National Accounts revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling services are subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

Competition

We operate in a competitive industry. Competition in the environmental services industry comes from a few other large, national publicly-owned companies, several regional publicly- and privately-owned companies, and thousands of small privately-owned companies. In any given market, competitors may have larger operations and greater resources. In addition, we

compete with municipalities that maintain material collection or disposal operations. These municipalities may have financial advantages due to the availability of tax revenue and greater opportunities for tax-exempt financing.

We compete for collection accounts primarily based on our product offering, quality of service and price. From time-to-time, our competitors reduce the price of their services in an effort to expand market share or to win a competitively bid municipal contract. Our ability to maintain and increase prices in certain markets may be impacted by our competitors' pricing policies. This may have an effect on our future revenue and profitability.

Seasonality and Severe Weather

Our operating revenues tend to be somewhat higher in the summer months, primarily due to higher volumes of construction and demolition waste. The volumes of large-container and residential recycling and waste in certain regions of the country also tend to increase during the summer months. Our second and third quarter revenues and results of operations typically reflect this seasonality.

We provide essential recycling and solid waste collection and disposal services in the communities we serve and our operations can be adversely affected by periods of inclement or severe weather and natural disasters, which could increase the volume of material collected under our existing contracts (without corresponding compensation), delay the collection and disposal of material, reduce the volume of material delivered to our disposal sites or delay the construction or expansion of our landfill sites and other facilities and may increase with the physical impacts of climate change. The impacts from adverse weather and natural disasters have the potential to last several months and to affect several facilities. We have business continuity plans in place for severe weather, natural disasters and other emergencies—hurricanes, tornadoes, flooding, winter storms, earthquakes and wildfires, among others—to help limit disruptions in our operations and help ensure the continuity of our services. Our operations can also be favorably affected by severe weather and natural disasters, which could increase the volume of material in situations where we are able to charge for our additional services.

Regulation

Our facilities and operations are subject to a variety of federal, state and local requirements that regulate, among other things, the environment, public health, safety, zoning and land use. Operating and other permits, licenses and other approvals generally are required for landfills and transfer stations, recycling processing centers, certain solid waste collection vehicles, fuel storage tanks and other equipment and facilities that we own or operate. These permits are subject to denial, revocation, modification and renewal in certain circumstances. Any revocation, modification or denial of permits could have a material adverse effect on us. Federal, state and local laws and regulations vary, but generally govern wastewater or storm water discharges, air emissions, the handling, transportation, treatment, storage and disposal of hazardous and non-hazardous waste, and the remediation of contamination associated with the release or threatened release of hazardous substances. These laws and regulations provide governmental authorities with strict powers of enforcement, which include the ability to revoke or decline to renew any of our operating permits, obtain injunctions, or impose fines or penalties in the event of violations, including criminal penalties. The U.S. EPA and various other federal, state and local authorities administer these regulations.

In order to comply with these regulations, we must incur substantial capital expenditures relating to our vehicles, landfills, transfer stations, and recycling processing centers, and in connection with our capping, closure, post-closure and environmental remediation activities. Compliance with existing and future legal and regulatory requirements, including changes relating to per- and polyfluoroalkyl substances (commonly referred to as PFAS) and other chemicals of emerging concern, and limitations or bans on disposal of certain types of wastes or on the transportation of waste, could increase our costs to operate or require additional capital expenditures.

A decrease in regulation may lower barriers to entry for our competitors. Further, we compete with counties and municipalities that operate their own collection and disposal facilities, have the benefits of tax revenue, and greater opportunities for tax-exempt financing.

We strive to conduct our operations in compliance with applicable laws, regulations and permits. However, from time to time we have been issued citations or notices from governmental authorities that have resulted in the need to expend funds for remedial work and related activities at various landfills and other facilities or in the need to expend funds for fines, penalties or settlements. Citations and notices may be issued in the future, notwithstanding our strong regulatory compliance efforts. We have established final capping, closure, post-closure and remediation reserves that we believe, based on currently available information, will be adequate to cover our current estimates of regulatory costs; however, actual costs may exceed our reserves.

Federal Regulation

The following summarizes the primary federal, environmental, and occupational health and safety-related statutes that affect our facilities and operations:

- *The Solid Waste Disposal Act, including the Resource Conservation and Recovery Act (RCRA).* RCRA establishes a framework for regulating the handling, transportation, treatment, storage and disposal of hazardous and non-hazardous solid waste, and requires states to develop programs to ensure the safe disposal of solid waste in sanitary landfills.

Subtitle C of RCRA establishes a framework for regulating the disposal of hazardous waste, and Subtitle D of RCRA establishes a framework for regulating the disposal of municipal solid waste. Regulations under Subtitle C set requirements for hazardous waste generators, transporters, and treatment, storage and disposal facilities. Regulations under Subtitle D currently include minimum comprehensive solid waste management criteria and guidelines, including location restrictions, facility design and operating criteria, final capping, closure and post-closure requirements, financial assurance standards, groundwater monitoring requirements and corrective action standards. The EPA may authorize states to implement certain hazardous waste requirements of Subtitle C, and if a state program does not exist, the EPA directly implements the hazardous waste requirements. Nearly all of the states in which we operate have implemented permit programs pursuant to RCRA and Subtitles C and D. These state permit programs may include landfill requirements that are more stringent than those of Subtitles C and D. Our failure to comply with any of these environmental requirements at any of our locations may lead to temporary or permanent loss of an operating permit, which would result in costs in connection with securing new permits, reduced revenue from lost operational time, and increased third party disposal costs.

All of our planned landfill expansions and new landfill development projects have been engineered to meet or exceed Subtitles C and D requirements, as applicable. Operating and design criteria for existing operations have been modified to comply with these regulations. Compliance with Subtitles C and D regulations has resulted in increased costs and may in the future require substantial additional expenditures in addition to other costs normally associated with our waste management activities.

- *The Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA).* CERCLA, among other things, provides for the cleanup of sites from which there is a release or threatened release of a hazardous substance into the environment. CERCLA may impose strict joint and several liability for the costs of cleanup and for damages to natural resources upon current owners and operators of a site, parties who were owners or operators of a site at the time the hazardous substances were disposed of, parties who transported the hazardous substances to a site, and parties who arranged for the disposal of the hazardous substances at a site. Under the authority of CERCLA and its implementing regulations, detailed requirements apply to the manner and degree of investigation and remediation of facilities and sites where hazardous substances have been or are threatened to be released into the environment. Liability under CERCLA is not dependent on the existence or disposal of only hazardous wastes, but also can be based upon the existence of small quantities of more than 700 substances currently characterized by the EPA as hazardous, many of which are found in common household waste. The EPA may also designate additional substances as hazardous. Among other things, CERCLA authorizes the federal government to investigate and remediate sites at which hazardous substances have been or are threatened to be released into the environment, or to order persons potentially liable for the cleanup of the hazardous substances to do so themselves. In addition, the EPA has established a National Priorities List of sites at which hazardous substances have been, or are threatened to be, released and which require investigation or cleanup.

CERCLA liability is strict liability. It can be founded upon the release or threatened release, even as a result of unintentional, non-negligent or lawful action, of hazardous substances, including very small quantities of such substances. Thus, even if we have never knowingly transported or received hazardous substances, it is possible that hazardous substances have been deposited or released at landfills or other facilities that we presently or historically have owned or operated, or at properties owned by third parties to which we have transported waste. Therefore, we could be liable under CERCLA for the cost of cleaning up, or protecting against the release of, such hazardous substances at such sites and for damages to natural resources, even if those substances were deposited at our facilities before we acquired or operated them. The costs of a CERCLA cleanup can be very expensive and can include the costs of disposing of hazardous substances at appropriately-licensed facilities. Given the difficulty of obtaining insurance for environmental impairment liability, any such liability could have a material effect on our business, financial condition, results of operations and cash flows.

- *The Federal Water Pollution Control Act of 1972 (the Clean Water Act).* This act regulates the discharge of pollutants from a variety of sources, including solid waste disposal sites, into streams, rivers and other waters of the United States. Runoff from our landfills and transfer stations that is discharged into surface waters through discrete conveyances must be covered by discharge permits that generally require us to conduct sampling and monitoring, and, under certain circumstances, to reduce the quantity of pollutants in those discharges. Storm water discharge regulations under the Clean Water Act require a permit for certain construction activities and for runoff from industrial operations and facilities, which may affect our operations. If a landfill or transfer station discharges wastewater through a sewage system to a publicly-owned treatment works, the facility must comply with discharge limits imposed by that treatment

works. In addition, states may adopt groundwater protection programs under the Clean Water Act or the Safe Drinking Water Act that could affect the manner in which our landfills monitor and control their waste management activities. Furthermore, if development at any of our facilities alters or affects wetlands, we may be required to secure permits before such development starts. In these situations, permitting agencies may require mitigation of wetland impacts.

- *The Clean Air Act.* The Clean Air Act imposes limitations on emissions from various sources, including landfills. In March 1996, the EPA promulgated regulations that require large municipal solid waste landfills to install landfill gas monitoring systems along with landfill gas control systems unless emissions are below established thresholds. These regulations apply to landfills that commenced construction, reconstruction or modification on or after May 30, 1991, and, principally, to landfills that can accommodate 2.5 million cubic meters or more of municipal solid waste. The regulations apply whether the landfills are active or closed. The date by which each affected landfill must have a gas collection and control system installed and made operational varies depending on calculated emission rates at the landfill. On July 14, 2016, the EPA issued final amendments to its regulations that require large landfills that commenced construction, reconstruction, or modification on or after July 17, 2014 to capture additional landfill gas to reduce emissions of methane and certain non-methane gases, which are recognized as greenhouse gases. In a separate rule finalized that same day, the EPA issued updates to its 1996 Emission Guidelines to reduce emissions of landfill gas from existing active landfills. Both actions were part of the Obama Administration's Climate Action Plan - Strategy to Reduce Methane Emissions. As part of the Biden Administration's focus on climate change, the EPA has taken further steps to implement these regulations. These and other efforts to curtail the emission of greenhouse gases and to ameliorate the effect of climate change may require our landfills to deploy more stringent emission controls and monitoring systems, with resulting capital or operating costs. Many state regulatory agencies also currently require monitoring systems for the collection and control of certain landfill gas. Certain of these state agencies are also implementing greenhouse gas control regulations that would also apply to landfill gas emissions. See Item 1A, *Risk Factors – Regulation of greenhouse gas emissions and other governmental regulations could impose costs on our operations, the magnitude of which is difficult to estimate*, in this Annual Report on Form 10-K.

In addition, our vehicle fleet also may become subject to higher efficiency standards or other carbon-emission restrictions. Over the past decade, the EPA and the National Highway Traffic Safety Administration (NHTSA) have adopted regulations mandating the reduction of vehicle tail pipe emissions as a means of reducing greenhouse gas emissions. The regulations take the form of fuel economy standards. The EPA and the NHTSA have developed fuel economy standards in two vehicle categories: (1) passenger automobiles and light-duty trucks (collectively, light-duty vehicles); and (2) heavy-duty trucks, including solid waste collection vehicles and tractor trailers. We own and operate vehicles in both categories. For light-duty vehicles, in May 2010 the EPA and the NHTSA finalized fuel economy standards for model years 2012 through 2016. In October 2011, the EPA and the NHTSA initiated a second round of rulemaking for light-duty vehicles for model years 2017 through 2025. In 2018, the EPA and the NHTSA proposed to revise the light-duty vehicle standards for model years 2021 through 2024 to make them less stringent; final action on the proposal occurred in 2020 but has been challenged in court. In 2021, the EPA issued a rule further setting the standards for model years 2023 to 2026, making them more stringent. In August 2011, the EPA and the NHTSA finalized standards for heavy-duty trucks, including solid waste collection vehicles and tractor trailers, for model years 2014 through 2018. On August 16, 2016, the EPA and the NHTSA jointly issued additional regulations that would impose more stringent standards for heavy-duty vehicles through model-year 2027. In issuing the proposed fuel economy standards for heavy-duty trucks (including tractor trailers), the government estimated that the increased equipment cost would be recouped over a period of two years for a tractor/trailer combo, and over a period of 6 years for a garbage truck, and each vehicle would continue to save fuel costs over its operating life. On August 5, 2021, the EPA announced its intent to move forward with a Clean Trucks Plan, which would involve setting emissions standards for model years 2027 and beyond.

- *The Occupational Safety and Health Act of 1970 (OSHA).* This act authorizes the Occupational Safety and Health Administration of the U.S. Department of Labor to promulgate occupational safety and health standards. A number of these standards, including standards for notices of hazardous chemicals and the handling of asbestos, apply to our facilities and operations.

State and Local Regulation

Each state in which we operate has its own laws and regulations governing solid waste disposal, water and air pollution, and, in most cases, releases and cleanup of hazardous substances and liabilities for such matters. States also have adopted regulations governing the design, operation, maintenance and closure of landfills and transfer stations. Some counties, municipalities and other local governments have adopted similar laws and regulations. In addition, our operations may be affected by the trend in many states toward requiring solid waste reduction and recycling programs. For example, several states have enacted laws that require counties or municipalities to adopt comprehensive plans to reduce, through solid waste planning, composting, recycling

or other programs, the volume of solid waste deposited in landfills. Additionally, laws and regulations restricting the disposal of certain waste in solid waste landfills, including yard waste, food waste, newspapers, beverage containers, unshredded tires, lead-acid batteries, electronic wastes and household appliances, have been adopted in several states and are being considered in others. Some jurisdictions have enacted or are considering enacting "extended producer responsibility" regulations, which are designed to obligate producers to fund the post-use life cycle of their products by providing recycling programs for their products. State and municipal governments may also enact "organic diversion" regulations that require food waste to be managed separately from the other waste streams, similar to the rules recently enacted in California. Several states have also enacted or are considering "minimum recycled content" regulations mandating certain minimum post-consumer recycled content in certain types of packaging, including California. Legislative and regulatory measures to mandate or encourage waste reduction and recycling also have been considered, or are under consideration by, the U.S. Congress and the EPA. These regulations may present new opportunities to offer sustainable environmental services to our customers but may require investment of time, effort and money to be able to offer these new solutions and expose us to additional regulatory requirements and competition from others offering these services.

To construct, operate and expand a landfill, we must obtain one or more construction or operating permits, as well as zoning and land use approvals. These permits and approvals may be burdensome to obtain and to comply with, are often opposed by neighboring landowners and citizens' groups, may be subject to periodic renewal, and are subject to denial, modification, non-renewal and revocation by the issuing agency. Significant compliance disclosure obligations often accompany these processes. In connection with our acquisition of existing landfills, we may be required to spend considerable time, effort and money to bring the acquired facilities into compliance with applicable requirements and to obtain the permits and approvals necessary to increase their capacity.

Other Regulations

Many of our facilities own and operate underground storage tanks that are generally used to store petroleum-based products. These tanks can be subject to federal, state and local laws and regulations that mandate their periodic testing, upgrading, closure and removal. In the event of leaks or releases from these tanks, these regulations require that polluted groundwater and soils be remediated. If underground storage tanks we own or operate leak, we could be liable for response costs and, if the leakage migrates onto the property of others, we could be liable for damages to third parties. We are unaware of facts indicating that issues of compliance with regulations related to underground storage tanks will have a material adverse effect on our consolidated financial condition, results of operations or cash flows.

With regard to our solid waste transportation operations, we are subject to the jurisdiction of the Surface Transportation Board and are regulated by the Federal Highway Administration, Office of Motor Carriers, and by regulatory agencies in states that regulate such matters. Various state and local government authorities have adopted, or are considering adopting, laws and regulations that would restrict the transportation of solid waste across state, county, or other jurisdictional lines. In 1978, the U.S. Supreme Court ruled that a law that restricts the importation of out-of-state solid waste is unconstitutional; however, states have attempted to distinguish proposed laws from those involved in and implicated by that ruling. In 1994, the U.S. Supreme Court ruled that a flow control law, which attempted to restrict solid waste from leaving its place of generation, imposes an impermissible burden upon interstate commerce and is unconstitutional. In 2007, however, the U.S. Supreme Court upheld the right of a local government to direct the flow of solid waste to a publicly-owned and publicly-operated waste facility. A number of county and other local jurisdictions have enacted ordinances or other regulations restricting the free movement of solid waste across jurisdictional boundaries. Other governments may enact similar regulations in the future. These regulations may cause a decline in volumes of waste delivered to our landfills or transfer stations and may increase our costs of disposal, thereby adversely affecting our operations and our financial results.

Liabilities Established for Landfill and Environmental Costs

We have established reserves for landfill and environmental costs, which include landfill site final capping, closure and post-closure costs. We periodically reassess such costs based on various methods and assumptions regarding landfill airspace and the technical requirements of Subtitles C and D of RCRA, and we adjust our amortization rates used to expense final capping, closure and post-closure costs accordingly. Based on current information and regulatory requirements, we believe that our recorded reserves for such landfill and environmental expenditures are adequate; however, environmental laws may change, and our recorded reserves may not be adequate to cover requirements under existing or new environmental laws and regulations, future changes or interpretations of existing laws and regulations, or adverse environmental conditions previously unknown to us. Refer to the *Material Cash Requirements and Intended Uses of Cash* section of our Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Part II, Item 7 of this Annual Report on Form 10-K and to Note 2, *Summary of Significant Accounting Policies*, to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K for further information.

Liability Insurance and Bonding

The nature of our business exposes us to the possible risk of liabilities arising out of our operations, including damages to the environment, property, employees or the general public. We focus on operating safely and prudently, but occasionally we receive claims, alleging damages, negligence or other wrongdoing in the planning or performance of work, which resulted in harm to the environment, property, employees or the general public. These liabilities can be significant. We also could be subject to fines and civil and criminal penalties in connection with alleged violations of regulatory requirements. We maintain various policies of insurance that, subject to limitations, exclusions, or deductibles, provide coverage for these types of claims. While we believe the amount of insurance is appropriate for our type of business, such insurance may not be adequate, in scope or amount, in the event of a major loss, and we may be exposed to uninsured liabilities that could have a material adverse effect on our consolidated financial condition, results of operations or cash flows. We may choose not to continue to maintain the insurance should market conditions in the insurance industry make such coverage cost prohibitive.

Accruals for deductibles are based on claims filed and actuarial estimates of claims development and claims incurred but not reported. Due to the variable condition of the insurance market, we have experienced, and may experience in the future, increased deductible retention levels and increased premiums or unavailability of insurance. As we assume more risk through higher retention levels, we may experience more variability in our insurance reserves and expense.

In the normal course of business, we also purchase surety bonds, insurance policies, letters of credit or marketable securities deposits in connection with, among other things, municipal residential collection contracts, financial assurance for closure and post-closure of landfills, environmental remediation, environmental permits, and business licenses and permits as a financial guarantee of our performance.

Availability of Reports and Other Information

Our corporate website is republicservices.com. We make available on that website, free of charge, access to our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statements on Schedule 14A, and amendments to those materials filed or furnished with the Securities and Exchange Commission (SEC) pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. We make such materials available as soon as reasonably practicable after we electronically submit them to the SEC. Our corporate website also contains our Certificate of Incorporation, Bylaws, Corporate Governance Guidelines, Code of Ethics and Conduct, Political Contributions Policy, Human Rights Policy, and Charters of the Audit Committee, Management Development and Compensation Committee, Nominating and Corporate Governance Committee, and Sustainability and Corporate Responsibility Committee of the Board of Directors. In addition, the SEC makes available at its website (sec.gov), free of charge, reports, proxy statements, and other information regarding issuers, such as us, that file electronically with the SEC. Information on our website or the SEC website is not part of this Annual Report on Form 10-K. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K and applicable New York Stock Exchange (NYSE) rules regarding amendments to or waivers of our Code of Ethics by posting this information on our website at republicservices.com.

ITEM 1A. RISK FACTORS

Disclosure Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains certain forward-looking information about us that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as “guidance,” “expect,” “will,” “may,” “anticipate,” “plan,” “estimate,” “project,” “intend,” “should,” “can,” “likely,” “could,” “outlook” and similar expressions are intended to identify forward-looking statements. Among other sections of this Form 10-K, the Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations include forward-looking statements. These statements include statements about our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, such expectations may not prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

- general economic and market conditions, including inflation and changes in fuel, interest rates, labor, risk, health insurance and other variable costs that generally are not within our control, and our exposure to credit and counterparty risk;
 - fluctuations in prices for recycled commodities that we sell to customers;
 - the effects of the evolving COVID-19 pandemic and actions taken in response thereto;
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- whether our estimates and assumptions concerning our selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, projected costs and expenses related to our landfills and property and equipment, fair values of acquired assets and liabilities assumed in our acquisitions, and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate;
 - competition and demand for services in the environmental services industry;
 - price increases to our customers, which may not be adequate to offset the impact of increased costs, including labor, third-party disposal and fuel, and may cause us to lose volume;
 - our ability to manage growth and execute our growth strategy;
 - our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills;
 - the impact on us of our substantial indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements;
 - our ability to retain our investment grade ratings for our debt;
 - our dependence on key personnel;
 - our dependence on large, long-term collection, transfer and disposal contracts;
 - the capital intensive nature of our business, which may consume cash in excess of cash flow from operations;
 - exposure to liabilities or losses, to the extent not adequately covered by insurance, which could result in substantial expenses;
 - risks associated with undisclosed liabilities of acquired businesses;
 - risks associated with pending and future legal proceedings, including litigation, audits or investigations brought by or before any governmental body;
 - severe weather conditions, including those brought about by climate change, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;
 - compliance with existing and future legal and regulatory requirements, including changes relating to PFAS and other chemicals of emerging concern, and limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;
 - our ability to achieve reduction in our greenhouse gas emissions and our other sustainability goals;
 - safety and operational risks, including the risk of personal injury to our employees or third parties;
 - potential increases in our costs if we are required to provide additional funding to any multiemployer pension plan to which we contribute or if a withdrawal event (including our voluntary withdrawal, which we consider from time to time, or the mass withdrawal of all contributing employers from any underfunded multiemployer pension plan) occurs with respect to any such plan;
 - the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;
 - the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;
 - changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies;
 - the impact of U.S. and international tax laws and regulations on our business;
 - risks related to interruptions and breaches of our information technology systems that could adversely affect, or temporarily disable, all or a portion of our operations or have a negative effect on our infrastructure;
 - the negative impact that a cyber-security incident could have on our business and our relationships with customers and employees; and
 - acts of war, riots or terrorism, including the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the United States.

The risks included here are not exhaustive. Refer to the Risk Factors in this Item 1A for further discussion regarding our exposure to risks. You should be aware that any forward-looking statement in this Annual Report on Form 10-K and the documents incorporated herein by reference or elsewhere, speaks only as of the date on which we make it. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. You should not place undue reliance on any forward-looking statement. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date of this Annual Report on Form 10-K and the documents incorporated by reference, as the case may be, or to reflect the occurrence of unanticipated events.

Risks Related to Our Business and Operations

The environmental services industry is highly competitive and includes competitors that may have greater financial and operational resources, flexibility to reduce prices or other competitive advantages that could make it difficult for us to compete effectively.

We principally compete with large national waste management companies, numerous municipalities, and numerous regional and local companies. Competition for collection accounts is typically based on the quality of services, ease of doing business and/or price. Competition for disposal business is primarily based on geographic location, quality of operations, and price. One of our competitors may have greater financial and operational resources than we do. Further, many counties and municipalities that operate their own collection and disposal facilities have the benefits of tax revenue and greater opportunities for tax-exempt financing. Our ability to obtain solid waste volume for our landfills also may be limited by the fact that some major collection operations also own or operate landfills to which they send their waste. In certain markets in which we do not own or operate a landfill, our collection operations may have difficulty competing effectively. If we were to lose market share or if we were to lower prices to address competitive issues, it could negatively impact our consolidated financial condition, results of operations and cash flows.

Increases in the cost of fuel or petrochemicals increase our operating expenses, and we cannot assure you that we will be able to recover such cost increases from our customers.

We depend on fuel purchased in the open market to operate our collection and transfer trucks and other equipment used for collection, transfer and disposal. Fuel prices are unpredictable and fluctuate significantly based on events beyond our control, including geopolitical developments, actions by the Organization of the Petroleum Exporting Countries and other oil and gas producers, changes in refinery operations, supply and demand for oil and gas, war, terrorism and unrest in oil-producing countries, adverse weather and regional production patterns. Due to contractual or market factors, we may not be able to offset increased fuel costs resulting from such volatility through fuel recovery fees. Our fuel costs were \$383.0 million in 2021, or 3.4% of revenue, compared to \$271.7 million in 2020, or 2.7% of revenue.

At current consumption levels, a twenty-cent per gallon change in the price of diesel fuel changes our fuel costs by approximately \$26 million on an annual basis. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel changes our fuel recovery fee by approximately \$26 million. A substantial rise or drop in fuel costs could materially affect our revenue and cost of operations.

Over the last decade, regulations have been adopted mandating changes in the composition of fuels for motor vehicles. The renewable fuel standards that the EPA sets annually affect the type of fuel our motor vehicle fleet uses. Pursuant to the Energy Independence and Security Act of 2007, the EPA establishes annual renewable fuel volume requirements for four different categories of renewable fuels (renewable fuel, advanced biofuel, cellulosic biofuel, and biomass-based diesel). These volume requirements set standards for the proportion of refiners' or importers' total fuel volume that must contain renewable fuels (as designated by regulation). The total volume metrics for each year vary based upon a number of factors (e.g., the availability of such fuels), and it is difficult to predict the ultimate quantity that the EPA will eventually mandate for future years. These regulations are one of many factors that may affect the cost of the fuel we use.

Part of our fleet of vehicles is powered by CNG and we also operate CNG fueling stations. We have invested higher upfront capital costs in order to purchase and support our CNG vehicles and fueling stations in order to reduce our overall fleet operating costs through lower fuel expenses and to create a competitive advantage in communities that focus on protecting the environment. CNG is not yet widely adopted in North America. As the CNG industry develops, new regulations, the availability of alternative fuel technologies, fluctuations in the price or availability of CNG or reductions in tax incentives for the use of CNG vehicles could substantially affect our revenue and costs of operations and reduce the benefits sought by investing in CNG vehicles and fueling stations.

Our operations also require the use of products (such as liners at our landfills) whose costs may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products, which would increase our operating and capital costs. Petrochemical prices, and hence our operating and capital costs, may be further affected by regulatory efforts to reduce greenhouse gases from the industries that produce such petrochemicals. We are also susceptible to increases in fuel recovery fees from our vendors.

Fluctuations in prices for recycled commodities that we sell to customers may adversely affect our consolidated financial condition, results of operations and cash flows.

We purchase or collect and process recyclable materials such as paper, cardboard, plastics, aluminum and other metals for sale to third parties. Our results of operations may be affected by changing prices or market requirements for recyclable materials. The resale and purchase prices of, and market demand for, recyclable materials are volatile due to changes in economic conditions and numerous other factors beyond our control. For instance, in 2017 the Chinese government imposed strict limits on the import of recyclable materials, including by restricting the amount of contaminants allowed in imported recycled paper. These limitations significantly decreased the global demand for recyclable materials and resulted in lower commodity prices. Significant price fluctuations or increased operating costs may affect our consolidated financial condition, results of operations and cash flows. In 2021, approximately 80% of our recycling processing center volume was fiber based and included OCC, ONP and other mixed paper.

At current volumes and mix of materials, we believe a \$10 per ton change in the price of recycled commodities would change annual revenue and operating income by approximately \$22 million and \$10 million on an annual basis, respectively. Accordingly, a substantial rise or drop in recycled commodity prices could materially affect our revenue and operating income. Although we have entered into hedging agreements to help offset volatility in recycled commodity prices in the past, we may not enter into these agreements in the future.

Acute and chronic weather events, including those brought about by climate change, may limit our operations and increase the costs of collection, transfer, disposal, and other environmental services we provide.

Our operations could be adversely impacted by extreme weather events, changing weather patterns, and rising mean temperature and sea levels, some of which we are already experiencing. For example, we have operations in multiple states that are affected by hurricanes and we have seen the impact of storms and associated flooding in our day-to-day operations and our infrastructure. The Intergovernmental Panel on Climate Change (IPCC), which includes more than 1,300 scientists from the United States and other countries, forecasts a temperature rise of 2.5° to 10° Fahrenheit over the next century. Changing weather patterns and rising temperatures are expected to result in more severe heat waves, fires, storms, and other extreme weather events. Any of these factors could increase the volume of material collected or processed under our existing contracts (without corresponding compensation), impede our employees' and equipment's ability to operate, disrupt our supply chain, delay the development of landfill capacity, or reduce the volume of material generated by our customers. In addition, adverse weather conditions may result in the temporary suspension of our operations, which can significantly affect our operating results in the affected regions during those periods.

The environmental services industry is a capital-intensive industry and our capital expenditures may exceed current expectations, which could require us to obtain additional funding for our operations or impair our ability to grow our business.

Our ability to remain competitive and to grow our business largely depends on our cash flow from operations and access to capital. If our capital efficiency programs cannot offset the effect of inflation and business growth, it may be necessary to increase the amount we spend. Additionally, if we make acquisitions or further expand our operations, the amount we spend on capital, capping, closure, post-closure, environmental remediation and other items will increase. Our cash needs also will increase if the expenditures for capping, closure, post-closure and remediation activities increase above our current estimates, which may occur over a long period due to changes in federal, state or local government requirements and other factors beyond our control. Increases in expenditures would negatively impact our cash flows.

We may be unable to obtain or maintain required permits or to expand existing permitted capacity of our landfills, which could decrease our revenue and increase our costs.

We cannot assure you that we will be able to obtain or maintain the permits required for our operations because permits to operate new landfills and transfer stations, or to expand the permitted capacity of existing landfills or increase acceptable volume at transfer stations, have become more difficult and expensive to obtain and maintain. Permits often take years to obtain as a result of numerous hearings and compliance requirements with regard to zoning, environmental and other regulations. These permits are also often subject to resistance from citizen or other groups and other political pressures. Local communities and citizen groups, adjacent landowners, governmental agencies and others may oppose the issuance of a permit or approval we may need, allege violations of the permits under which we currently operate or laws or regulations to which we are subject, or

seek to impose liability on us for environmental damage. Such actions could also create risks related to our reputation, which may limit our ability to do business. Responding to these challenges has at times increased our costs and extended the time associated with establishing new landfills and transfer stations and expanding existing landfills. In addition, failure to receive regulatory and zoning approval may prohibit us from establishing new landfills or transfer stations or expanding existing landfills. Our failure to obtain the required permits to operate our landfills and transfer stations could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. In addition, we may have to dispose collected waste at landfills operated by our competitors or haul the waste long distances at a higher cost to one of our other landfills, either of which could significantly increase our waste disposal costs.

If we do not appropriately estimate landfill capping, closure, post-closure and remediation costs, our financial condition and results of operations may be adversely affected.

A landfill must be closed and capped, and post-closure maintenance commenced, once the landfill's permitted capacity is reached and additional capacity is not authorized. Further, we undertake remediation activities at some of our solid waste facilities. We have significant financial obligations relating to capping, closure, post-closure and remediation costs at our existing owned or operated landfills, and will have material financial obligations with respect to any future owned or operated landfills. We establish accruals for the estimated costs associated with capping, closure, post-closure and remediation obligations. We could underestimate such costs, and our financial obligations for capping, closure, post-closure or remediation costs could exceed the amounts accrued or amounts otherwise receivable pursuant to trust funds established for this purpose. Additionally, if a landfill must be closed earlier than expected or its remaining airspace is reduced for any other reason, the accruals for capping, closure, post-closure and remediation could be required to be accelerated. If our capping, closure, post-closure or remediation costs exceed the amounts accrued, or if such accruals are required to be accelerated, this could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Alternatives to landfill disposal could reduce our disposal volumes and cause our revenues and operating results to decline.

Most of the states in which we operate landfills require counties and municipalities to formulate comprehensive plans to reduce the volume of solid waste deposited in landfills through waste planning, composting, recycling or other programs. Some state and local governments mandate waste reduction at the source and prohibit the disposal of certain types of wastes, such as yard waste, at landfills. Further, many of our customers voluntarily are diverting waste to alternatives to landfill disposal, such as recycling and composting, while also working to reduce the amount of waste they generate. Many of the largest companies in the U.S. are setting zero-waste goals in which they strive to send no waste to landfills and some jurisdictions have enacted or are considering waste reduction regulations such as extended producer responsibility, organic diversion and minimum recycled content regulations. Although such actions help to protect our environment and reduce the impact of waste on climate change, they have reduced, and will in the future reduce, the volume of waste going to landfills and may affect the prices that we can charge for landfill disposal. Accordingly, we cannot assure you that we will be able to operate our landfills at their current volumes or charge current prices for landfill disposal services due to possible decreases in demand for such services. If we cannot expand our service offerings and grow lines of business to service waste streams that do not go to landfills and to provide services for customers that wish to reduce waste entirely, this could have a negative effect on our consolidated financial condition, results of operations and cash flows. Further, even if we can develop such service offerings and lines of business, disposal alternatives nonetheless could have a negative effect on our consolidated financial condition, results of operations and cash flows.

The possibility of landfill and transfer station site development projects, or expansion projects not being completed or certain other events could result in material charges to income.

In accordance with U.S. GAAP, we capitalize certain expenditures relating to development, expansion and other projects. If a facility or operation is permanently shut down or determined to be impaired, or a development, expansion or other project is not completed or is determined to be impaired, we will charge against earnings any unamortized capitalized expenditures relating to such facility or project that we are unable to recover through sale, transfer or otherwise. We also carry a significant amount of goodwill on our consolidated balance sheets, which we must assess for impairment annually, and more frequently in the case of certain triggering events. We may incur charges against earnings in accordance with this policy, or other events may cause impairments. Such charges could have a material adverse effect on our results of operations.

The business and assets we operate expose us to safety, operational and other risks, including the risk of personal injury to our employees or third parties.

The provision of environmental services, including the operation of our facilities, a substantial fleet of trucks and other waste-related assets, involves risks. These risks include, among others, the risk of truck accidents, equipment defects, malfunctions and failures, improper use of dangerous equipment, the release of hazardous substances, fire and explosion, any of which could result in environmental liability, personal injury, loss of life, business interruption or property damage or destruction. While we

carry insurance to cover many contingencies, and seek to minimize our exposure to these risks through maintenance, training and compliance programs, any substantial losses could have a material adverse effect on our business, results of operations and financial condition.

We may be subject to work stoppages and other workforce effects, which could increase our operating costs and disrupt our operations.

As of December 31, 2021, approximately 24% of our workforce was covered by collective bargaining agreements. If our union-represented employees engage in strikes, work stoppages or other slowdowns, we could experience a significant disruption of our operations and an increase in our operating costs, which could have an adverse effect on our consolidated financial condition, results of operations and cash flows. We have experienced interrupted service when our union-represented employees have engaged in strikes and work stoppages in the past, and we would expect the same to occur as a result of any future strikes or work stoppages. Additional groups of employees may seek union representation in the future which could result in increased operating costs. If a greater percentage of our workforce becomes union-represented, our consolidated financial condition, results of operations and cash flows could be adversely impacted due to the potential for increased operating costs.

We may not be able to achieve reduction of our greenhouse gas emissions and our other sustainability goals.

Climate change and other sustainability matters are embedded in our core value and vision. As part of our strategic long-term plans to address sustainability, we are committed to reducing our absolute Scope 1 and Scope 2 greenhouse gas emissions 35% by 2030 among other sustainability goals. The execution of our plans and achievement of our goals are subject to risks and uncertainties, including our ability to develop, obtain, license or scale the innovations, technologies and modeling and measurement tools that may be necessary to achieve our plans and the availability, cost and benefits of materials and infrastructure associated with our sustainability projects, such as our CNG vehicles, fleet electrification, recycling, circularity of key materials, landfill gas-to-energy and other renewable energy projects.

In addition, increasing governmental and societal attention to sustainability matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, waste production, water usage, human capital, labor, and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control, assess, and report. These and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, create challenges for us. If we are unable to continue to meet these challenges and comply with all laws, regulations, policies and related interpretations, and meet the sustainability values, standards and metrics that we set for ourselves, it could negatively impact our reputation and our business results.

Risks Related to our Legal and Regulatory Environment

We are subject to costly environmental regulations and flow-control regulations that may affect our operating margins, restrict our operations and subject us to additional liability.

Complying with laws and regulations governing the collection, treatment, storage, transfer and disposal of material, air quality and emissions of greenhouse gases, water quality and the remediation of contamination associated with the release of hazardous substances is costly. Laws and regulations often require us to, among other things, enhance or replace our equipment and to modify landfill operations or initiate final closure of a landfill. We may not be able to implement price increases sufficient to offset the costs of complying with these laws and regulations. In addition, environmental regulatory changes, including those relating to per- and polyfluoroalkyl substances (commonly referred to as PFAS) and other chemicals of emerging concern, could accelerate or increase expenditures for capping, closure, post-closure and environmental and remediation activities at solid waste facilities and obligate us to spend sums in addition to those presently accrued for such purposes, which could have a negative effect on our consolidated financial position, results of operations and cash flows. For example, the EPA has indicated it is considering listing certain PFAS as hazardous substances under CERCLA, which if finalized could trigger additional obligations or liabilities under CERCLA or other laws and regulations.

Our business is and will continue to be affected by state or local laws or regulations that restrict the transportation of solid waste across state, county or other jurisdictional lines or that direct the flow of waste to a specified facility or facilities. Such laws and regulations could negatively affect our operations, resulting in declines in landfill volumes and increased costs of alternate disposal.

Regulation of greenhouse gas emissions and other governmental regulations could impose costs on our operations, the magnitude of which is difficult to estimate.

Efforts to curtail the emission of greenhouse gases and to ameliorate the effects of climate change continue to progress. Our landfill operations emit anthropogenic methane, identified as a greenhouse gas, and our vehicle fleet emits, among other things,

carbon dioxide, which also is a greenhouse gas. While passage of comprehensive, federal climate change legislation appears unlikely in the near term, we expect any such legislation, if enacted, to impose costs on our operations, which could be material.

Absent comprehensive federal legislation to control greenhouse gas emissions, the EPA has taken certain actions administratively under its existing Clean Air Act authority. The EPA is compelled to issue rules by the U.S. Supreme Court's April 2007 *Massachusetts v. EPA* ruling that greenhouse gases are pollutants for purposes of the Clean Air Act and the EPA's December 2009 finding that continued emissions of greenhouse gases endanger human health and welfare. With respect to our light- and heavy-duty vehicle fleet, the EPA has finalized regulations limiting greenhouse gas emissions and increasing fuel economy standards. The EPA and the NHTSA have finalized such regulations applicable to light-duty vehicles through model year 2025. In 2018, the EPA and the NHTSA proposed to revise the light-duty vehicle standards for model years 2021 through 2024 to make them less stringent; final action on the proposal took place in 2020 but has been challenged in court. On August 16, 2016, the EPA and the NHTSA issued additional regulations that would impose more stringent standards for heavy-duty vehicles through model-year 2027. These standards and further federal efforts to curtail greenhouse gas emissions and to increase the fuel efficiency of light-duty and heavy-duty vehicles could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

With regard to greenhouse gas emissions from our landfills, on July 14, 2016, the EPA issued amendments to its regulations that require large landfills that commenced construction, reconstruction or modification on or after July 17, 2014 to capture additional landfill gas to reduce emissions of methane and certain non-methane gases, which are recognized as greenhouse gases. In a separate action finalized that same day, the EPA issued updates to its 1996 Emission Guidelines to reduce emissions of landfill gas from existing active landfills. As part of the Biden Administration focus on climate change, the EPA has taken further steps to implement these regulations. These regulations, or an amended version of them that eventually goes into effect, may require our landfills to deploy more stringent emission controls and monitoring systems, with resulting capital or operating costs. The application of these or other greenhouse gas regulations to our landfills could have a material adverse effect on our landfill operations and on our consolidated financial condition, results of operations and cash flows. We cannot predict what other actions or regulations the current administration may undertake that would affect our industry.

We may incur losses from liabilities that are not covered by our insurance. Changes in insurance markets also may impact our financial results.

We may incur liabilities or suffer losses arising from our operations or properties that resulted in harm to the environment, property, employees or the general public. We maintain insurance for these liabilities and losses, including high deductibles for our environmental liability insurance coverage. If we were to incur substantial liability or loss in connection with these contingencies, our insurance coverage may be inadequate to cover such liability or loss. This could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Also, due to the variable condition of the insurance market, we have experienced, and may experience in the future, increased insurance retention levels and increased premiums or unavailability of insurance. As we assume more risk for insurance through higher retention levels, we may experience more variability in our insurance reserves and expense.

Despite our efforts, we may incur additional liability under environmental laws in excess of amounts presently known and accrued.

We are a potentially responsible party at many sites under CERCLA, which provides for the remediation of contaminated facilities and imposes strict, joint and several liability for the cost of remediation on current owners and operators of a facility at which there has been a release or a threatened release of a hazardous substance. CERCLA liability also extends to parties who were site owners and operators at the time hazardous substances were disposed, and on persons who arrange for the disposal of such substances at the facility (e.g., generators of the waste and transporters who selected the disposal site). Hundreds of substances are defined as hazardous under CERCLA and their presence, even in minute amounts, can result in substantial liability.

Notwithstanding our efforts to comply with applicable environmental laws, we may have additional liability under environmental laws in excess of our current reserves because, among other things, hazardous substances may be present in waste collected by us or disposed of in our landfills (or in waste collected, transported or disposed of in the past by businesses we have acquired), environmental laws or regulations may change, or there may be adverse environmental conditions that develop or were otherwise previously unknown to us. Environmental liabilities in excess of our current reserves could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

Currently pending or future litigation or governmental proceedings could result in material adverse consequences, including judgments or settlements.

We are and will continue to be involved in lawsuits, regulatory inquiries, and governmental and other legal proceedings. Many of these matters raise complicated factual and legal issues and are subject to uncertainties. The timing of the final resolutions to

lawsuits, regulatory inquiries, and governmental and other legal proceedings is uncertain. Further, the possible outcomes or resolutions to these matters could include adverse judgments or settlements, either of which could require substantial payments and adversely affect our consolidated financial condition, results of operations and cash flows.

For example, we incur costs to defend against litigation brought by government agencies and private parties who allege we are in violation of our permits and applicable environmental laws and regulations, or who assert claims alleging nuisance, environmental damage, personal injury or property damage. As a result, we may be required to pay fines or judgments or implement corrective measures, or we may have our permits and licenses modified or revoked. A significant judgment against us, the loss of a significant permit or license, or the imposition of a significant fine could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. We establish accruals for our estimates of the costs associated with lawsuits, regulatory, governmental and other legal proceedings. We could underestimate such accruals. Such shortfalls could result in significant unanticipated charges to income.

Risks Related to Financial Strategy and Indebtedness

We have substantial indebtedness, which may limit our financial flexibility.

As of December 31, 2021, we had approximately \$10 billion in principal value of debt and finance leases outstanding. This amount of indebtedness and our debt service requirements may limit our financial flexibility to access additional capital and make capital expenditures and other investments in our business, to withstand economic downturns and interest rate increases, to plan for or react to changes in our business and our industry, and to comply with the financial and other covenants of our debt instruments. Further, our ability to comply with these financial and other covenants may be affected by changes in economic or business conditions or other events that are beyond our control. If we do not comply with these covenants, we may be required to take actions such as reducing or delaying capital expenditures, reducing or eliminating dividends or stock repurchases, selling assets, restructuring or refinancing all or part of our existing debt, or seeking additional equity capital.

We may be unable to maintain our credit ratings or execute our financial strategy.

Our ability to execute our financial strategy depends in part on our ability to maintain investment grade ratings on our debt. The credit rating process is contingent upon a number of factors, many of which are beyond our control. We cannot assure you that we will be able to maintain our investment grade ratings in the future. If we were unable to do so, our interest expense would increase and our ability to obtain financing on favorable terms may be adversely affected.

Our financial strategy also depends on our ability to generate sufficient cash flow to reinvest in our existing business, fund internal growth, acquire other environmental services businesses, pay dividends, repurchase stock, and take other actions to enhance shareholder value. We may not succeed in executing our broad-based pricing initiatives, and we may not generate sufficient cash flow to execute our financial strategy, pay cash dividends at our present rate, or increase them, or be able to continue our share repurchase program.

Weakness in the U.S. economy may expose us to credit risk for amounts due from governmental entities, large national accounts, industrial customers and others.

Weakness in the U.S. economy, including contractions caused by the COVID-19 pandemic, reduces the amount of taxes collected by various governmental entities. We provide services to a number of these entities, including numerous municipalities. These governmental entities may suffer financial difficulties resulting from a decrease in tax revenue and may ultimately be unable or unwilling to pay amounts owed to us. In addition, weakness in the economy may cause other customers, including our large national accounts, or industrial or environmental services clients, to suffer financial difficulties and ultimately to be unable or unwilling to pay amounts owed to us. This could negatively impact our consolidated financial condition, results of operations and cash flows.

Our consolidated financial statements are based on estimates and assumptions that may differ from actual results. The liabilities we record based on such estimates and assumptions may not be adequate to cover the costs we ultimately will face.

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and necessarily include amounts based on management's estimates. Actual results may differ from these amounts. Significant items requiring management to make subjective or complex judgments that are inherently uncertain include the recoverability of long-lived assets, the depletion and amortization of landfill development costs, accruals for final capping, closure and post-closure costs, valuation allowances for accounts receivable and deferred tax assets, liabilities for potential litigation, claims and assessments, and liabilities for environmental remediation, multiemployer pension plans, employee benefit plans, deferred taxes, uncertain tax positions, insurance and our estimates of the fair values of assets acquired and liabilities assumed in any acquisition. We cannot assure you that the liabilities recorded for items such as these will be adequate to cover the costs we ultimately will face.

Our obligation to fund multiemployer pension plans to which we contribute, or our withdrawal from such plans, may have an adverse effect on us.

We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans and generally are not represented on the boards of trustees of these plans. The Pension Protection Act enacted in 2006 (the PPA) requires underfunded pension plans to improve their funding ratios. Based on the information available to us, we believe that some of the multiemployer plans to which we contribute are either critical or endangered as those terms are defined in the PPA. We cannot presently determine the amount of additional funding, if any, we may be required to make to these plans. However, plan assessments could have a material adverse effect on our results of operations or cash flows for a given period.

Further, under current law, upon the termination of a multiemployer pension plan, or in the event of a withdrawal by us (which we consider from time to time) or a mass withdrawal of contributing employers (each, a Withdrawal Event), we would be required to make payments to the plan for our proportionate share of the plan's unfunded vested liabilities. We cannot assure you that there will not be a Withdrawal Event with respect to any of the multiemployer pension plans to which we contribute or that, in the event of such a Withdrawal Event, the amounts we would be required to contribute would not have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

For additional discussion and detail regarding multiemployer pension plans see Note 12, *Employee Benefit Plans*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

The costs of providing for pension benefits and related funding requirements are subject to changes in pension fund values and fluctuating actuarial assumptions, and may have a material adverse effect on our financial condition, results of operations and cash flows.

We sponsor a defined benefit pension plan that is funded with trustee assets invested in a diversified portfolio of debt and equity securities. Our costs for providing such benefits and related funding requirements are subject to changes in the market value of plan assets. Our pension expenses and related funding requirements are also subject to various actuarial calculations and assumptions, which may differ materially from actual results due to changing market and economic conditions, interest rates and other factors. A significant increase in our pension obligations and funding requirements could have a material adverse effect on our consolidated financial condition, results of operations and cash flows.

Risks Related to Our Growth Strategy

We may be unable to manage our growth effectively.

Our growth strategy places significant demands on our financial, operational and management resources. To continue our growth, we may need to add administrative, managerial and other personnel, and may need to make additional investments in operations and systems. We cannot assure you that we will be able to find and train qualified personnel, or do so on a timely basis, or to expand or otherwise modify our operations and systems to the extent, and in the time, required.

We may be unable to execute our acquisition growth strategy.

Our ability to execute our growth strategy depends in part on our ability to identify and acquire desirable acquisition candidates and on our ability to successfully integrate acquired operations into our business. The integration of our operations with those of acquired companies may present significant challenges to our management. In addition, competition for acquisition candidates may prevent us from acquiring certain acquisition candidates. Thus, we cannot assure you that:

- desirable acquisition candidates exist or will be identified;
- we will be able to acquire any of the candidates identified;
- we will effectively integrate and manage companies we acquire; or
- any acquisitions will be profitable or accretive to our earnings.

If any of these factors force us to alter our growth strategy, our growth prospects could be adversely affected.

Businesses we acquire may have undisclosed liabilities.

Our due diligence investigations of acquisition candidates may fail to discover certain undisclosed liabilities. If we acquire a company with undisclosed liabilities such as environmental, remediation or contractual liabilities, as a successor owner we may be responsible for such undisclosed liabilities. We try to minimize our exposure to such liabilities by conducting due diligence, by obtaining indemnification from each seller of the acquired companies, by deferring payment of a portion of the purchase price as security for the indemnification, by obtaining representations and warranties insurance and by acquiring only specified

assets. However, we cannot assure you that we will be able to obtain indemnification or insurance coverage or that any indemnification or insurance coverage obtained will be enforceable, collectible or sufficient in amount, scope or duration to fully offset any undisclosed liabilities arising from our acquisitions.

Risks Related to Technology and Intellectual Property

Our strategy includes an increasing dependence on technology in our operations. If any of our key technology fails, our business could be adversely affected.

Our operations are increasingly dependent on technology. Our information technology systems are critical to our ability to drive profitable growth through differentiation, continue the implementation of standardized processes and deliver a consistent customer experience. One of our three differentiating capabilities is to enable our customers to do business with us through more channels and with better access to information and, accordingly, we have made substantial investment in our e-commerce platform. Problems with the operation of the information or communication technology systems we use could adversely affect, or temporarily disable, all or a portion of our operations. Inabilities and delays in implementing new systems can also affect our ability to realize projected or expected revenue or cost savings. Further, any systems failures could impede our ability to timely collect and report financial results in accordance with applicable laws.

Emerging technologies, including those that are used to recycle and process waste as an alternative to disposal of waste in landfills, represent risks, as well as opportunities, to our current business model. The costs associated with developing or investing in emerging technologies could require substantial capital and adversely affect our results of operations and cash flows. Delays in the development or implementation of such emerging technologies and difficulties in marketing new products or services based on emerging technologies could have similar negative impacts. Our financial results may suffer if we are not able to develop or license emerging technologies, or if a competitor obtains exclusive rights to an emerging technology that disrupts the current methods used in the environmental services industry.

A cyber security incident could negatively impact our business and our relationships with customers.

We use information technology, including computer and information networks, in substantially all aspects of our business operations. We also use mobile devices, social networking and other online activities to connect with our employees and our customers. Such uses give rise to cyber security risks, including security breach, espionage, system disruption, theft and inadvertent release of information. Our business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including customers' personal information, private information about employees, and financial and strategic information about us and our business partners. We also rely on a Payment Card Industry compliant third party to protect our customers' credit card information. In connection with our strategy to grow through acquisitions and to pursue new initiatives that improve our operations and cost structure, we are also expanding and improving our information technologies, resulting in a larger technological presence and corresponding exposure to cyber security risk. If we fail to assess and identify cyber security risks associated with acquisitions and new initiatives, we may become increasingly vulnerable to such risks. Additionally, while we have implemented measures to prevent security breaches and cyber incidents, our preventive measures and incident response efforts may not be entirely effective. Also, the regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements. This changing regulatory landscape may cause increasingly complex compliance challenges, which may increase our compliance costs. Any failure to comply with these changing security and privacy laws and regulations could result in significant penalties, fines, legal challenges and reputational harm. The theft, destruction, loss, misappropriation, or release of sensitive and/or confidential information or intellectual property, or interference with our information technology systems or the technology systems of third parties on which we rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers, potential liability and competitive disadvantage.

Other Risks Relevant to Our Business

The COVID-19 pandemic has negatively impacted, and is likely to continue to negatively impact, our business, results of operations and financial performance.

The COVID-19 pandemic has created significant uncertainties. These uncertainties include, but are not limited to, the potential adverse effect of the pandemic on the economy, our supply chain partners, our employees and our customers. As a result of the COVID-19 pandemic, our costs of doing business have increased, including for the purchase of additional safety equipment and hygiene products, increased facility and equipment cleaning, and the expansion of certain aspects of our existing healthcare programs. Additionally, if the pandemic continues and conditions worsen or if there is a large outbreak or resurgence of COVID-19 in various regions, we expect to experience additional adverse impacts on our operational and commercial activities and our collections of accounts receivable, which adverse impacts may be material. The degree to which COVID-19 impacts our results going forward will depend on future developments, which are uncertain and cannot be predicted, including, but not

limited to, the duration, variants and spread of COVID-19, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Any of the foregoing factors, or other cascading effects of the COVID-19 pandemic that are not currently foreseeable, could materially increase our costs, negatively impact our business and damage our results of operations and our liquidity position, possibly to a significant degree.

Price increases may not be adequate to offset the effect of increased costs and may cause us to lose volume.

We seek to secure price increases necessary to offset increased costs, improve our operating margins and earn an appropriate return on our substantial investments in assets such as our landfills. From time to time, our competitors reduce their prices in an effort to expand their market share. Contractual, general economic or market-specific conditions also may limit our ability to raise prices. For example, many of our contracts have price adjustment provisions that are tied to an index such as the consumer price index. Particularly in a weak U.S. economy, our costs may increase in excess of the increase, if any, in the consumer price index. This may continue to be the case even when the U.S. economy recovers because a recovery in the environmental services industry historically has lagged behind a recovery in the general economy. As a result, we may be unable to offset increases in costs, improve our operating margins and obtain adequate investment returns through price increases. Price increases also might cause us to lose volume to lower-cost competitors.

The loss of key personnel could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects.

Our future success depends on the continued contributions of several key employees and officers. The loss of the services of key employees and officers, whether through resignation or other causes, or the inability to attract additional qualified personnel, could have a material adverse effect on our consolidated financial condition, results of operations, cash flows and growth prospects. In some of our markets, we compete with other similar businesses which may drive labor costs or reduce the amount of available qualified personnel.

The introduction of new accounting rules, laws or regulations could adversely impact our reported results of operations.

Complying with new accounting rules, laws or regulations, such as, for example, those related to our asset retirement obligations and environmental liabilities, could adversely impact our results of operations or cause unanticipated fluctuations in our results of operations or financial conditions in future periods.

Weakened global economic conditions, including those resulting from the recent COVID-19 pandemic, may harm our industry, business and results of operations.

Our business is directly affected by changes in national and general economic factors and overall economic activity that are outside of our control, including consumer confidence and interest rates. For example, the COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. A weak economy generally results in decreases in volumes, which adversely affects our revenues. In addition, we have certain fixed costs (e.g., facility expense associated with long-term leases, depreciation expense and accretion expense), which may be difficult to adjust quickly to match declining volume levels. Consumer uncertainty and the loss of consumer confidence may decrease overall economic activity and thereby limit the amount of services we provide. Additionally, a decline in volumes may result in increased competitive pricing pressure and increased customer turnover, resulting in lower revenue and increased operating costs. Operating in an environment of worsening economic conditions could have a material adverse effect on our consolidated financial condition, results of operations and cash flows. Further, recovery in the environmental services industry historically has lagged behind recovery in the general economy. Accordingly, we cannot assure you that an improvement in general economic conditions will result in an immediate, or any, improvement in our consolidated financial condition, results of operations or cash flows.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate office is located at 18500 North Allied Way, Phoenix, Arizona 85054, where we currently lease approximately 145,000 square feet of office space.

Our principal property and equipment consists of land, landfills, buildings, vehicles and equipment. We own or lease real property in the states in which we conduct operations. As of December 31, 2021, we operated facilities in 41 states through 356 collection operations, 239 transfer stations, 198 active landfills, 71 recycling processing centers, 3 treatment, recovery and disposal facilities, 3 treatment, storage and disposal facilities (TSDF), 6 salt water disposal wells and 7 deep injection wells. In the aggregate, our active solid waste landfills total 111,539 acres, including 39,618 permitted acres. We are engaged in 77

landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills. We believe that our property and equipment are adequate for our current needs.

ITEM 3. LEGAL PROCEEDINGS

General Legal Proceedings

We are subject to extensive and evolving laws and regulations and have implemented safeguards to respond to regulatory requirements. In the normal course of our business, we become involved in legal proceedings. Some may result in fines, penalties or judgments against us, or settlements, which may impact earnings and cash flows for a particular period. Although we cannot predict the ultimate outcome of any legal matter with certainty, we do not believe the outcome of any of our pending legal proceedings will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

As used in the immediately following paragraph, the term *legal proceedings* refers to litigation and similar claims against us and our subsidiaries, excluding: (1) ordinary course accidents, general commercial liability and workers' compensation claims, which are covered by insurance programs, subject to customary deductibles, and which, together with self-insured employee health care costs, are discussed in Note 7, *Other Liabilities*, to our consolidated financial statements in Part II, Item 8 of this Annual report on Form 10-K; and (2) environmental remediation liabilities, which totaled \$454.9 million at December 31, 2021 and which are discussed in Note 8, *Landfill and Environmental Costs*, to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

We accrue for legal proceedings when losses become probable and reasonably estimable. We have recorded an aggregate accrual of approximately \$11 million relating to our outstanding legal proceedings as of December 31, 2021. As of the end of each applicable reporting period, we review each of our legal proceedings and, where it is probable that a liability has been incurred, we accrue for all probable and reasonably estimable losses. Where we are able to reasonably estimate a range of losses we may incur with respect to a matter, we record an accrual for the amount within the range that constitutes our best estimate. If we are able to reasonably estimate a range but no amount within the range appears to be a better estimate than any other, we use the amount that is the low end of such range. If we had used the high ends of such ranges, our aggregate potential liability would be approximately \$3 million higher than the amount recorded as of December 31, 2021.

Legal Proceedings over Certain Environmental Matters Involving Governmental Authorities with Possible Sanctions of \$1,000,000 or More

Item 103 of the SEC's Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and the proceedings involve potential monetary sanctions unless we reasonably believe the monetary sanctions will not equal or exceed a threshold which we determine is reasonably designed to result in disclosure of any such proceeding that is material to our business or financial condition. We have determined such disclosure threshold to be \$1,000,000. We have no matters to disclose in accordance with that requirement.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information, Holders and Dividends

The principal market for our common stock is the New York Stock Exchange, and it is traded under the symbol RSG.

There were 529 holders of record of our common stock at February 3, 2022, which does not include beneficial owners for whom Cede & Co. or others act as nominees.

In October 2021, our Board of Directors declared a regular quarterly dividend of \$0.46 per share for shareholders of record on January 3, 2022. We expect to continue to pay quarterly cash dividends, and we may consider increasing our dividends if we believe it will enhance shareholder value.

We have the ability under our credit facilities to pay dividends and repurchase our common stock if we are in compliance with the financial covenants in our credit facilities. As of December 31, 2021, we were in compliance with those financial covenants.

Issuer Purchases of Equity Securities

The following table provides information relating to our purchases of shares of our common stock during the three months ended December 31, 2021:

	Total Number of Shares Purchased (a)	Average Price Paid per Share (a)	Total Number of Shares Purchased as Part of Publicly Announced Program (b)	Dollar Value of Shares that May Yet Be Purchased Under the Program (c)
October 1 – 31	599,017	\$ 122.13	599,017	\$ 1,747,826,634
November 1 – 30	—	\$ —	—	\$ 1,747,826,634
December 1 – 31	—	\$ —	—	\$ 1,747,826,634
	<u>599,017</u>		<u>599,017</u>	

- (a) In October 2020, our Board of Directors approved a \$2.0 billion share repurchase authorization effective starting January 1, 2021 and extending through December 31, 2023. Share repurchases under the program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. As of December 31, 2021, there were no repurchased shares pending settlement.
- (b) The total number of shares purchased as part of the publicly announced program were all purchased pursuant to the October 2020 authorization.
- (c) Shares that may be purchased under the program exclude shares of common stock that may be surrendered to satisfy statutory minimum tax withholding obligations in connection with the vesting of restricted stock units and performance stock units issued to employees.

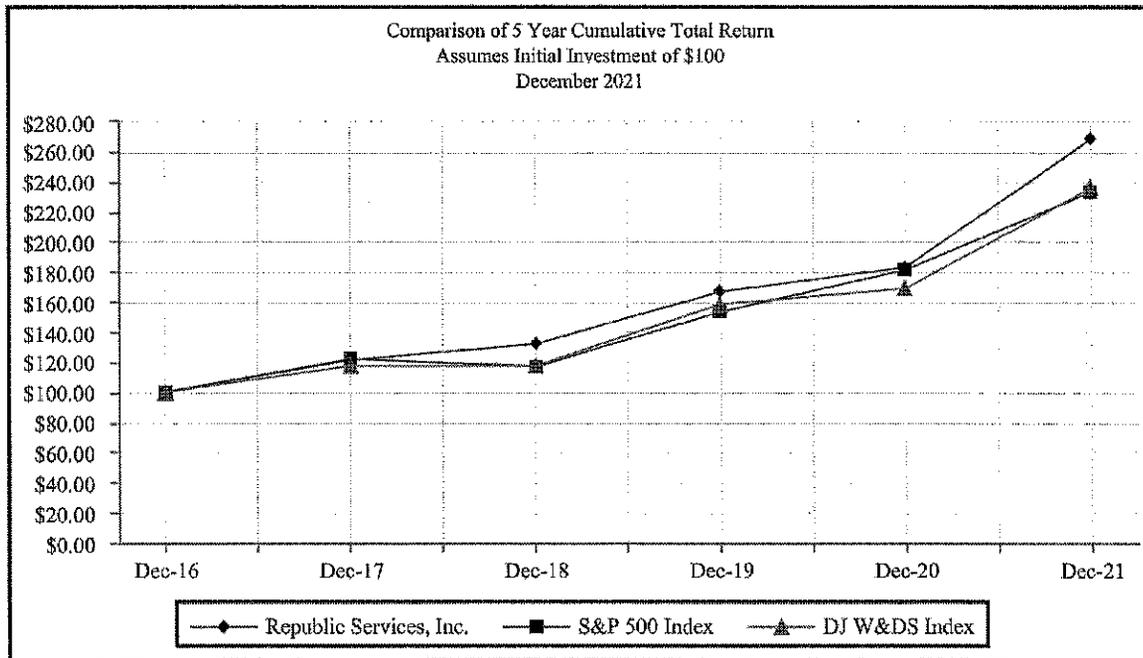
Recent Sales of Unregistered Securities

There were no sales of unregistered securities during the three months ended December 31, 2021.

Performance Graph

The following graph compares the performance of our common stock to the Standard & Poor's 500 Stock Index (S&P 500 Index) and the Dow Jones Waste & Disposal Services Index (DJ W&DS Index). The graph covers the period from December 31, 2016 to December 31, 2021 and assumes that the value of the investment in our common stock and in each index was \$100 as of December 31, 2016 and that all dividends were reinvested.

The following performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, each as amended, except to the extent that we specifically incorporate it by reference into such filing.



	Indexed Returns for the Years Ended December 31,					
	2016	2017	2018	2019	2020	2021
Republic Services, Inc.	\$ 100.00	\$ 120.97	\$ 131.67	\$ 166.70	\$ 182.59	\$ 268.47
S&P 500 Index	\$ 100.00	\$ 121.83	\$ 116.49	\$ 153.17	\$ 181.35	\$ 233.40
DJ W&DS Index	\$ 100.00	\$ 117.08	\$ 117.21	\$ 158.35	\$ 168.74	\$ 235.89

Note: Prepared by Zacks Investment Research, Inc. Used with permission. All rights reserved. Copyright 1980-2022.

Index data: Copyright Standard and Poor's, Inc. Used with permission. All rights reserved.

Index data: Copyright Dow Jones, Inc. Used with permission. All rights reserved.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our audited consolidated financial statements and the notes thereto included in Part II, Item 8 of this Annual Report on Form 10-K. This discussion may contain forward-looking statements that anticipate results that are subject to uncertainty. We discuss in more detail various factors that could cause actual results to differ from expectations in Part I, Item 1A, Risk Factors in this Annual Report on Form 10-K.

For further discussion regarding our results of operations for the year ended December 31, 2020 as compared to the year ended December 31, 2019, refer to Part II, Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*, in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Impact of the COVID-19 Pandemic

In March 2020, the World Health Organization declared the outbreak of a new strain of coronavirus (COVID-19) a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. The full extent of the impact of the COVID-19 pandemic on our operations and financial performance will depend on future developments, including the duration and spread of the pandemic, all of which are uncertain and cannot be predicted at this time.

In mid-March 2020, certain customers in our small- and large-container businesses began adjusting their service levels, which included a decrease in the frequency of pickups or a temporary pause in service. In addition, we experienced a decline in volumes disposed at certain of our landfills and transfer stations. As service levels decreased, we also experienced a decrease in certain costs of our operations which are variable in nature. This decline in service activity peaked in the first half of April 2020 and improved sequentially through December 31, 2021.

In April 2020, we launched our Committed to Serve initiative and committed \$20 million to support frontline employees and their families, as well as small business customers in the local communities where we serve. In addition to this initiative, we have experienced an increase in certain costs of doing business as a direct result of the COVID-19 pandemic, including costs for additional safety equipment and hygiene products and increased facility and equipment cleaning. These costs are intended to assist in protecting the safety of our frontline employees as we continue to provide an essential service to our customers. In 2020 and 2021, we recognized our frontline employees for their commitment and contributions to their communities during the pandemic with awards that were paid in January 2021 and November 2021, respectively. In addition, we incurred incremental costs associated with expanding certain aspects of our existing healthcare programs. We may continue to incur similar costs in future years, although we expect the annual amount of such costs to be less than those incurred in 2020.

The effects of the COVID-19 pandemic on our business are described in more detail in the *Results of Operations* discussion in this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Recent Developments

Acquisition of US Ecology

On February 8, 2022, we entered into a definitive agreement to acquire all outstanding shares of US Ecology, Inc. (US Ecology) in a transaction valued at approximately \$2.2 billion, including debt. US Ecology is a leading provider of environmental solutions offering treatment, recycling and disposal of hazardous, non-hazardous and specialty waste. We intend to finance the transaction using existing and new sources of debt.

The guidance included herein does not contemplate the impact from the pending acquisition of US Ecology, which is subject to regulatory and other approvals.

2022 Financial Guidance

In 2022, we will focus on driving profitable growth, making disciplined acquisition investments, maintaining an inclusive and engaging culture for our people, delivering a superior customer experience, and advancing technology to drive operational excellence. Our team remains focused on executing our strategy to deliver consistent earnings and free cash flow growth, and improving return on invested capital, while partnering with customers to create a more sustainable world. We are committed to maintaining an efficient capital structure, preserving our investment grade credit ratings and increasing cash returned to our shareholders.

Our guidance is based on current economic conditions and does not assume any significant changes in the overall economy in 2022. Specific guidance follows:

Revenue

We expect an increase in average yield of approximately 3.4% and volume growth to be in a range of 1.5% to 2.0%.

Adjusted Diluted Earnings per Share

The following is a summary of anticipated adjusted diluted earnings per share for the year ending December 31, 2022 compared to the actual adjusted diluted earnings per share for the year ended December 31, 2021. Adjusted diluted earnings per share is not a measure determined in accordance with U.S. GAAP:

	(Anticipated) Year Ending December 31, 2022	(Actual) Year Ended December 31, 2021
Diluted earnings per share	\$ 4.53 to 4.60	\$ 4.04
Restructuring charges	0.05	0.04
Loss on business divestitures and impairments, net	—	0.02
Accelerated vesting of compensation expense for CEO transition	—	0.07
Adjusted diluted earnings per share	\$ 4.58 to 4.65	\$ 4.17

We believe that the presentation of adjusted diluted earnings per share provides an understanding of operational activities before the financial effect of certain items. We use this measure, and believe investors will find it helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate effect on our results for a particular period. We have incurred comparable charges and costs in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definition of adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies.

The guidance set forth above constitutes forward-looking information and is not a guarantee of future performance. The guidance is based upon the current beliefs and expectations of our management and is subject to significant risk and uncertainties that could cause actual results to differ materially from those shown above. See Item 1A. *Risk Factors - Disclosure Regarding Forward-Looking Statements*.

Overview

Republic is one of the largest providers of environmental services in the United States, as measured by revenue. As of December 31, 2021, we operated facilities in 41 states through 356 collection operations, 239 transfer stations, 198 active landfills, 71 recycling processing centers, 3 treatment, recovery and disposal facilities, 3 treatment, storage and disposal facilities (TSDF), 6 salt water disposal wells, and 7 deep injection wells. We are engaged in 77 landfill gas-to-energy and other renewable energy projects and had post-closure responsibility for 124 closed landfills.

Revenue for the year ended December 31, 2021 increased by 11.2% to \$11,295.0 million compared to \$10,153.6 million in 2020. This change in revenue is due to increased volume of 3.8%, average yield of 2.9%, acquisitions, net of divestitures of 2.8%, recycling processing and commodity sales of 1.1%, and fuel recovery fees of 0.8%, partially offset by decreased environmental solutions revenue of 0.1%. Additionally, revenue decreased 0.1% due to one less workday in 2021 as compared to 2020.

The following table summarizes our revenue, costs and expenses for the years ended December 31, 2021 and 2020 (in millions of dollars and as a percentage of revenue):

	2021		2020	
Revenue	\$ 11,295.0	100.0 %	\$ 10,153.6	100.0 %
Expenses:				
Cost of operations	6,737.7	59.7	6,100.5	60.1
Depreciation, amortization and depletion of property and equipment	1,111.7	9.8	1,015.9	10.0
Amortization of other intangible assets	33.3	0.3	21.2	0.2
Amortization of other assets	40.5	0.4	38.8	0.4
Accretion	82.7	0.7	82.9	0.8
Selling, general and administrative	1,195.8	10.6	1,053.0	10.4
Withdrawal costs - multiemployer pension funds	—	—	34.5	0.3
Loss on business divestitures and impairments, net	0.5	—	77.7	0.8
Restructuring charges	16.6	0.1	20.0	0.2
Operating income	\$ 2,076.2	18.4 %	\$ 1,709.1	16.8 %

Our pre-tax income was \$1,575.1 million for the year ended December 31, 2021, compared to \$1,142.7 million in 2020. Our net income attributable to Republic Services, Inc. was \$1,290.4 million, or \$4.04 per diluted share for 2021, compared to \$967.2 million, or \$3.02 per diluted share, for 2020.

During 2021 and 2020, we recorded a number of charges, other expenses and benefits that impacted our pre-tax income, net income attributable to Republic Services, Inc. (net income – Republic) and diluted earnings per share as noted in the following table (in millions, except per share data). Additionally, see our *Results of Operations* section of this *Management's Discussion and Analysis of Financial Condition and Results of Operations* for a discussion of other items that impacted our earnings during the years ended December 31, 2021 and 2020. For comparative purposes, prior year amounts have been reclassified to conform to current year presentation.

	Year Ended December 31, 2021			Year Ended December 31, 2020		
	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share	Pre-tax Income	Net Income - Republic	Diluted Earnings per Share
As reported	\$ 1,575.1	\$ 1,290.4	\$ 4.04	\$ 1,142.7	\$ 967.2	\$ 3.02
Loss on extinguishment of debt and other related costs	—	—	—	99.1	73.0	0.23
Restructuring charges	16.6	12.2	0.04	20.0	14.8	0.05
Loss on business divestitures and impairments, net	0.5	6.0	0.02	77.7	65.5	0.21
Withdrawal costs - multiemployer pension funds	—	—	—	34.5	25.5	0.08
Bridgeton insurance recovery	—	—	—	(10.8)	(8.2)	(0.03)
Accelerated vesting of compensation expense for CEO transition	22.0	22.0	0.07	—	—	—
Total adjustments	39.1	40.2	0.13	220.5	170.6	0.54
As adjusted	\$ 1,614.2	\$ 1,330.6	\$ 4.17	\$ 1,363.2	\$ 1,137.8	\$ 3.56

We believe that presenting adjusted pre-tax income, adjusted net income – Republic, and adjusted diluted earnings per share, which are not measures determined in accordance with U.S. GAAP, provide an understanding of operational activities before the financial impact of certain items. We use these measures, and believe investors will find them helpful, in understanding the ongoing performance of our operations separate from items that have a disproportionate impact on our results for a particular period. We have incurred comparable charges and costs in prior periods, and similar types of adjustments can reasonably be expected to be recorded in future periods. Our definitions of adjusted pre-tax income, adjusted net income – Republic, and adjusted diluted earnings per share may not be comparable to similarly titled measures presented by other companies. Further information on each of these adjustments is included below.

Loss on extinguishment of debt and other related costs. During 2020, we incurred a loss on the early extinguishment of debt and other related costs related to the early extinguishment of our \$600.0 million 5.250% senior notes due November 2021 (the 2021 Notes) and our \$850.0 million 3.550% senior notes due June 2022 (the 2022 Notes), and to redeem \$250.0 million of the \$550.0 million outstanding 4.750% senior notes due May 2023 (the 2023 Notes). We paid total cash premiums of \$99.1 million and

incurred non-cash charges related to the proportional share of unamortized discounts and deferred issuance costs of \$2.8 million. The unamortized proportional share of certain cash flow hedges reclassified to earnings as non-cash interest expense was \$1.8 million, and the proportional share of our fair value hedges (related to the 2023 Notes) that were dedesignated and recognized in earnings as a reduction to non-cash interest expense was \$4.7 million. During 2021, we did not incur a loss on the early extinguishment of debt.

Restructuring charges. In 2020, we incurred costs related to the redesign of certain back-office software systems, which continued into 2021. In addition, in July 2020, we eliminated certain back-office support positions in response to a decline in the underlying demand for services resulting from the COVID-19 pandemic. In 2021 and 2020, we incurred restructuring charges of \$16.6 million and \$20.0 million, respectively. We paid \$17.2 million and \$15.5 million during 2021 and 2020, respectively, related to these restructuring efforts.

In 2022, we expect to incur additional restructuring charges of approximately \$20 million primarily related to the redesign of certain of our back-office software systems. Substantially all of these restructuring charges will be recorded in our corporate entities and other segment.

Loss on business divestitures and impairments, net. During 2021, we recorded a loss of \$0.5 million related to business divestitures and asset impairments in certain markets. Additionally, we recognized an increase in our deferred tax provision of \$5.5 million due to a change in our U.S. operational footprint as a result of certain acquisitions that closed during the period.

During 2020, we recorded a net loss on business divestitures and impairments of \$77.7 million, including \$42.6 million resulting from management's decision to exit certain product offerings and geographic basins in our upstream environmental solutions business.

Withdrawal costs - multiemployer pension funds. During 2020, we recorded charges to earnings of \$34.5 million for withdrawal events at multiemployer pension funds to which we contribute. As we obtain updated information regarding multiemployer pension funds, the factors used in deriving our estimated withdrawal liabilities will be subject to change, which may adversely impact our reserves for withdrawal costs.

Bridgeton insurance recovery. During 2020, we recognized an insurance recovery of \$10.8 million, related to our closed Bridgeton Landfill in Missouri, which we recognized as a reduction of remediation expenses in our cost of operations.

Accelerated vesting of compensation expense for CEO transition. In June 2021, Donald W. Slager retired as Chief Executive Officer (CEO) of Republic Services, Inc. During 2021, we recognized a charge of \$22.0 million primarily related to the accelerated vesting of his compensation awards that were previously scheduled to vest in 2022 and beyond.

Results of Operations

Revenue

We generate revenue by providing environmental services to our customers, including the collection and processing of recyclable materials, collection, transfer and disposal of non-hazardous solid waste, and other environmental solutions. Our residential, small-container and large-container collection operations in some markets are based on long-term contracts with municipalities. Certain of our municipal contracts have annual price escalation clauses that are tied to changes in an underlying base index such as a consumer price index. We generally provide small-container and large-container collection services to customers under contracts with terms up to three years. Our transfer stations and landfills generate revenue from disposal or tipping fees charged to third parties. Our recycling processing centers generate revenue from tipping fees charged to third parties and the sale of recycled commodities. Our revenue from environmental solutions consists mainly of fees we charge for disposal of hazardous and non-hazardous solid and liquid material and in-plant services, such as transportation and logistics, including at our TSDFs. Other non-core revenue consists primarily of revenue from National Accounts, which represents the portion of revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

The following table reflects our revenue by service line for the years ended December 31, 2021 and 2020 (in millions of dollars and as a percentage of revenue):

	2021		2020	
Collection:				
Residential	\$ 2,452.8	21.7 %	\$ 2,309.0	22.7 %
Small-container	3,417.7	30.3	3,106.8	30.6
Large-container	2,378.4	21.1	2,148.9	21.2
Other	59.6	0.5	51.5	0.5
Total collection	8,308.5	73.6	7,616.2	75.0
Transfer	1,490.0		1,349.4	
Less: intercompany	(814.4)		(745.9)	
Transfer, net	675.6	6.0	603.5	5.9
Landfill	2,506.7		2,298.1	
Less: intercompany	(1,092.8)		(1,018.5)	
Landfill, net	1,413.9	12.5	1,279.6	12.6
Environmental solutions	202.5	1.8	127.7	1.3
Other:				
Recycling processing and commodity sales	420.5	3.7	297.1	2.9
Other non-core	274.0	2.4	229.5	2.3
Total other	694.5	6.1	526.6	5.2
Total revenue	\$ 11,295.0	100.0 %	\$ 10,153.6	100.0 %

The following table reflects changes in components of our revenue, as a percentage of total revenue, for the years ended December 31, 2021 and 2020:

	2021	2020
Average yield	2.9 %	2.6 %
Fuel recovery fees	0.8	(0.7)
Total price	3.7	1.9
Volume	3.8	(3.1)
Change in workdays	(0.1)	—
Recycling processing and commodity sales	1.1	0.3
Environmental solutions	(0.1)	(0.9)
Total internal growth	8.4	(1.8)
Acquisitions / divestitures, net	2.8	0.4
Total	11.2 %	(1.4) %
Core price	5.0 %	4.8 %

Average yield is defined as revenue growth from the change in average price per unit of service, expressed as a percentage. Core price is defined as price increases to our customers and fees, excluding fuel recovery, net of price decreases to retain customers. We also measure changes in average yield and core price as a percentage of related-business revenue, defined as total revenue excluding recycled commodities, fuel recovery fees and environmental solutions revenue to determine the effectiveness of our pricing strategies. Average yield as a percentage of related-business revenue was 3.1% and 2.8% for 2021 and 2020, respectively. Core price as a percentage of related-business revenue was 5.3% and 5.1% for 2021 and 2020, respectively.

During 2021, we experienced the following changes in our revenue as compared to 2020:

- Average yield increased revenue by 2.9% due to positive pricing changes in all lines of business.
- The fuel recovery fee program, which mitigates our exposure to increases in fuel prices, increased revenue by 0.8%, primarily due to an increase in fuel prices compared to the same period in 2020 and an increase in the total revenue subject to the fuel recovery fees.

- Volume increased revenue by 3.8% during 2021 as compared to 2020 primarily due to volume growth in our landfill, transfer, and small- and large-container collection lines of business, partially offset by a decline in residential collection volumes. The volume increase in our landfill line of business is primarily attributable to increased solid and special waste event driven volumes. In mid-March 2020, certain customers in these lines of business began adjusting their services levels as a result of the COVID-19 pandemic. This decline in service activity peaked in the first half of April 2020 and sequentially improved thereafter. These increases were partially offset by one less workday as compared to 2020.
- Recycling processing and commodity sales increased revenue by 1.1% primarily due to an increase in overall commodity prices as compared to 2020. The average price for recycled commodities, excluding glass and organics for 2021 was \$187 per ton compared to \$96 per ton for 2020. Changing market demand for recycled commodities causes volatility in commodity prices. At current volumes and mix of materials, we believe a \$10 per ton change in the price of recycled commodities will change annual revenue and operating income by approximately \$22 million and \$10 million, respectively.
- During 2021, environmental solutions decreased revenue by 0.1% primarily due to a decrease in rig counts, drilling activity, and the delay of in-plant project work as a result of lower demand for crude oil which began in 2020.
- Acquisitions, net of divestitures, increased revenue by 2.8% due to our continued growth strategy of acquiring privately held environmental services companies that complement our existing business platform.

Cost of Operations

Cost of operations includes labor and related benefits, which consists of salaries and wages, health and welfare benefits, incentive compensation and payroll taxes. It also includes transfer and disposal costs representing tipping fees paid to third party disposal facilities and transfer stations; maintenance and repairs relating to our vehicles, equipment and containers, including related labor and benefit costs; transportation and subcontractor costs, which include costs for independent haulers that transport our material to disposal facilities and costs for local operators who provide environmental services associated with our National Accounts in markets outside our standard operating areas; fuel, which includes the direct cost of fuel used by our vehicles, net of fuel tax credits; disposal fees and taxes, consisting of landfill taxes, host community fees and royalties; landfill operating costs, which includes financial assurance, leachate disposal, remediation charges and other landfill maintenance costs; risk management costs, which include insurance premiums and claims; cost of goods sold, which includes material costs paid to suppliers; and other, which includes expenses such as facility operating costs, equipment rent and gains or losses on sale of assets used in our operations.

The following table summarizes the major components of our cost of operations for the years ended December 31, 2021 and 2020 (in millions of dollars and as a percentage of revenue):

	2021		2020	
Labor and related benefits	\$ 2,324.4	20.6 %	\$ 2,153.4	21.2 %
Transfer and disposal costs	865.8	7.7	796.9	7.9
Maintenance and repairs	1,048.8	9.3	969.6	9.6
Transportation and subcontract costs	779.5	6.9	674.1	6.6
Fuel	383.0	3.4	271.7	2.7
Disposal fees and taxes	336.6	3.0	313.5	3.1
Landfill operating costs	258.9	2.3	258.2	2.5
Risk management	261.6	2.3	213.9	2.1
Other	479.1	4.2	460.0	4.5
Subtotal	6,737.7	59.7	6,111.3	60.2
Bridgeton insurance recovery	—	—	(10.8)	(0.1)
Total cost of operations	\$ 6,737.7	59.7 %	\$ 6,100.5	60.1 %

These cost categories may change from time to time and may not be comparable to similarly titled categories presented by other companies. As such, you should take care when comparing our cost of operations by component to that of other companies and of ours for prior periods.

Our cost of operations increased for the year ended December 31, 2021 compared to the same period in 2020 as a result of the following:

- Labor and related benefits increased in aggregate dollars due to higher hourly and salaried wages as a result of annual merit increases and an increase in service levels attributable to the economic recovery from the COVID-19 pandemic. This increase was partially offset by one less workday during 2021 as compared to 2020.
- Transfer and disposal costs increased in aggregate dollars as a result of higher collection volumes and an increase in third party disposal rates. During both 2021 and 2020, approximately 68% of the total solid waste volume we collected was disposed at landfill sites that we own or operate (internalization).
- Maintenance and repairs expense increased in aggregate dollars due to an increase in service levels attributable to the economic recovery from the COVID-19 pandemic.
- Transportation and subcontract costs increased primarily due to higher collection and transfer station volumes, acquisition-related activity, and increased subcontract work attributable to an increase in non-core revenues, partially offset by one less workday during 2021 as compared to 2020.
- Fuel costs increased due to an increase in the average diesel fuel cost per gallon. The national average cost per gallon for diesel fuel in 2021 was \$3.29 compared to \$2.55 for 2020.

At current consumption levels, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel costs by approximately \$26 million per year. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel recovery fee by approximately \$26 million per year.

- Disposal fees and taxes increased in aggregate dollars due to an increase in service levels attributable to the economic recovery from the COVID-19 pandemic.
- Risk management expenses increased primarily due to unfavorable actuarial development in our auto liability claims as well as higher premium costs, partially offset by favorable workers' compensation development in prior year programs.
- During 2020, we recognized an insurance recovery of \$10.8 million, related to our closed Bridgeton Landfill in Missouri, which we recognized as a reduction of remediation expenses included in our cost of operations in our consolidated statement of income.

Depreciation, Amortization and Depletion of Property and Equipment

The following table summarizes depreciation, amortization and depletion of property and equipment for the years ended December 31, 2021 and 2020 (in millions of dollars and as a percentage of revenue):

	2021		2020	
Depreciation and amortization of property and equipment	\$ 734.2	6.5 %	\$ 692.9	6.8 %
Landfill depletion and amortization	377.5	3.3	323.0	3.2
Depreciation, amortization and depletion expense	\$ 1,111.7	9.8 %	\$ 1,015.9	10.0 %

Depreciation and amortization of property and equipment increased primarily due to additional assets acquired with our acquisitions, an increase in the cost of replacement vehicles and container assets, as well as increased capital expenditures on vehicles to support volume growth.

Landfill depletion and amortization increased due to higher landfill disposal volumes, primarily driven by increased solid and special waste volumes, coupled with increased depletion rates. Additionally, we recognized favorable amortization adjustments related to our asset retirement obligations in 2020 that did not recur in 2021.

Amortization of Other Intangible Assets

Expenses for amortization of other intangible assets were \$33.3 million, or 0.3% of revenue, for the year ended December 31, 2021, compared to \$21.2 million, or 0.2% of revenue for 2020. Our other intangible assets primarily relate to customer relationships and, to a lesser extent, non-compete agreements. Amortization expense increased due to additional assets acquired as a result of our business acquisitions.

Amortization of Other Assets

Expenses for amortization of other assets were \$40.5 million, or 0.4% of revenue, for the year ended December 31, 2021, compared to \$38.8 million, or 0.4% of revenue, for 2020. Our other assets primarily relate to the prepayment of fees and capitalized implementation costs associated with cloud-based hosting arrangements.

Accretion Expense

Accretion expense was \$82.7 million, or 0.7% of revenue, and \$82.9 million, or 0.8% of revenue, for the years ended December 31, 2021 and 2020, respectively. Accretion expense has remained relatively unchanged as our asset retirement obligations remained relatively consistent period over period.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include salaries, health and welfare benefits, and incentive compensation for corporate and field general management, field support functions, sales force, accounting and finance, legal, management information systems, and clerical and administrative departments. Other expenses include rent and office costs, fees for professional services provided by third parties, legal settlements, marketing, investor and community relations services, directors' and officers' insurance, general employee relocation, travel, entertainment and bank charges. Restructuring charges are excluded from selling, general and administrative expenses and are discussed separately.

The following table summarizes our selling, general and administrative expenses for the years ended December 31, 2021 and 2020 (in millions of dollars and as a percentage of revenue):

	2021		2020	
Salaries and related benefits	\$ 844.4	7.5 %	\$ 740.5	7.3 %
Provision for doubtful accounts	19.9	0.2	27.8	0.3
Other	309.5	2.7	284.7	2.8
Subtotal	1,173.8	10.4	1,053.0	10.4
Accelerated vesting of compensation expense for CEO transition	22.0	0.2	—	—
Total selling, general and administrative expenses	\$ 1,195.8	10.6 %	\$ 1,053.0	10.4 %

These cost categories may change from time to time and may not be comparable to similarly titled categories used by other companies. As such, you should take care when comparing our selling, general and administrative expenses by cost component to those of other companies and of ours for prior periods.

The most significant items affecting our selling, general and administrative expenses during 2021 as compared to 2020 are summarized below:

- Salaries and related benefits increased primarily due to higher management incentive expenses as a result of outperforming our annual incentive metrics.
- In 2021, the provision for doubtful accounts decreased as a result of an improved trend in historical collections. Our days sales outstanding changed from 39.2, or 27.5 days net of deferred revenue, as of December 31, 2021 compared to 38.6, or 26.4 days net of deferred revenue, as of December 31, 2020.
- Other selling, general and administrative expenses increased during 2021, primarily due to an increase in recruiting, advertising, and bank fees. Meetings and events expenses also increased during 2021 following a decrease in 2020 as a result of the COVID-19 pandemic. These increases were partially offset by a decrease in professional fees, acquisition deal costs and unfavorable changes in certain legal reserves during 2020, which did not recur in 2021.
- During 2021, we recognized a charge of \$22.0 million primarily related to the accelerated vesting of Donald W. Slager's compensation awards that were previously scheduled to vest in 2022 and beyond as a result of his retirement as Chief Executive Officer (CEO) of Republic Services, Inc. in June 2021.

Withdrawal Costs - Multiemployer Pension Funds

During 2020, we recorded charges to earnings of \$34.5 million for withdrawal events at multiemployer pension funds to which we contribute. We paid \$34.4 million during 2020 relative to these withdrawal events. As we obtain updated information regarding multiemployer pension funds, the factors used in deriving our estimated withdrawal liabilities will be subject to change, which may adversely impact our reserves for withdrawal costs.

Loss (Gain) on Business Divestitures and Impairments, Net

We strive to have a number one or number two market position in each of the markets we serve, or have a clear path on how we will achieve a leading market position over time. Where we cannot establish a leading market position, or where operations are not generating acceptable returns, we may decide to divest certain assets and reallocate resources to other markets. Business divestitures could result in gains, losses or impairment charges that may be material to our results of operations in a given period.

During 2021, we recorded a net loss on business divestitures and impairments of \$0.5 million, which was due to business divestitures in certain markets. During 2020, we recorded a net loss on business divestitures and impairments of \$77.7 million, including \$42.6 million resulting from management's decision to exit certain product offerings and geographic basins in our upstream environmental solutions business.

Restructuring Charges

In 2020, we incurred costs related to the redesign of certain back-office software systems, which continued into 2021. In addition, in July 2020, we eliminated certain back-office support positions in response to a decline in the underlying demand for services resulting from the COVID-19 pandemic. During 2021 and 2020, we incurred restructuring charges of \$16.6 million and \$20.0 million, respectively. We paid \$17.2 million and \$15.5 million during 2021 and 2020, respectively, related to these restructuring efforts.

In 2022, we expect to incur additional restructuring charges of approximately \$20 million primarily related to the redesign of certain of our back-office software systems. Substantially all of these restructuring charges will be recorded in our corporate entities and other segment.

Interest Expense

The following table provides the components of interest expense, including accretion of debt discounts and accretion of discounts primarily associated with environmental and risk insurance liabilities assumed in acquisitions (in millions of dollars):

	2021	2020
Interest expense on debt	\$ 249.1	\$ 300.1
Non-cash interest	70.5	61.7
Less: capitalized interest	(5.0)	(6.2)
Total interest expense	<u>\$ 314.6</u>	<u>\$ 355.6</u>

Total interest expense for 2021 decreased compared to 2020 primarily due to lower interest rates on our floating and fixed rate debt. The decrease attributable to our fixed rate debt is primarily due to the issuance of senior notes in 2020 with coupons ranging from 0.875% to 3.050%, the proceeds of which were used to repay outstanding senior notes with coupons ranging from 3.550% to 5.500%.

During 2021 and 2020, cash paid for interest, excluding net swap settlements for our fixed to floating interest rate swaps, was \$249.4 million and \$325.1 million, respectively.

Loss on Extinguishment of Debt

During 2020, we incurred a \$101.9 million loss on the early extinguishment of debt. We paid total cash premiums during the year totaling \$99.1 million and incurred non-cash charges related to the proportional share of unamortized discounts and deferred issuance costs of \$2.8 million.

Income Taxes

Our provision for income taxes was \$282.8 million and \$173.1 million for 2021 and 2020, respectively. Our effective income tax rate was 18.0% and 15.2% for 2021 and 2020, respectively. We made income tax payments (net of refunds) of approximately \$300 million and \$124 million for 2021 and 2020, respectively. Income taxes paid in 2021 and 2020 reflect benefits from tax credits from our continuing investments in solar energy. For 2020, cash taxes paid reflect benefits from 100% bonus depreciation on qualified assets.

During 2021, we acquired non-controlling interests in limited liability companies established to own solar energy assets that qualified for investment tax credits under Section 48 of the Internal Revenue Code. We account for these investments using the equity method of accounting and recognize our share of income or loss and other reductions in the value of our investment in loss from unconsolidated equity method investments within our consolidated statements of income. For further discussion regarding our equity method accounting, see Note 3, *Business Acquisitions, Investments and Restructuring Charges*. Our 2021 tax provision reflects a benefit of approximately \$126 million due to the tax credits related to these investments.

Our 2020 tax provision was reduced by \$11.6 million from excess tax benefits related to stock compensation, approximately \$100 million related to the tax credits from our non-controlling interest in limited liability companies established to own solar energy assets, \$17.2 million for adjustments to our valuation allowance due to the realizability of certain state loss carryforwards, and \$8.2 million due to the realization of additional federal and state benefits as well as adjustments to deferred taxes due to the completion of our 2019 tax returns.

We have deferred tax assets related to state net operating loss carryforwards with an estimated tax effect of approximately \$87 million available as of December 31, 2021. These state net operating loss carryforwards expire at various times between 2022 and 2041. We believe that it is more likely than not that the benefit from some of our state net operating loss carryforwards will not be realized due to limitations on these loss carryforwards in certain states. In recognition of this risk, as of December 31, 2021, we have provided a valuation allowance of approximately \$43 million.

Reportable Segments

Our senior management evaluates the financial performance of our operations through three operating segments. Group 1 primarily consists of geographic areas located in the western United States, and Group 2 primarily consists of geographic areas located in the southeastern and mid-western United States, and the eastern seaboard of the United States. Our Environmental Solutions operating segment, which provides environmental solutions for daily operations of industrial, petrochemical and refining facilities, is aggregated with Corporate entities and other as it only represents approximately 2% of our consolidated revenue. Each operating segment provides integrated environmental services, including collection, transfer, recycling, and disposal.

Summarized financial information concerning our reportable segments for the years ended December 31, 2021 and 2020 is shown in the following table (in millions of dollars and as a percentage of revenue in the case of operating margin):

	Net Revenue	Depreciation, Amortization, Depletion and Accretion Before Adjustments for Asset Retirement Obligations	Adjustments to Amortization Expense for Asset Retirement Obligations	Depreciation, Amortization, Depletion and Accretion	Loss on Business Divestitures and Impairments, Net	Operating Income (Loss)	Operating Margin
2021:							
Group 1	\$ 5,558.9	\$ 555.1	\$ (7.0)	\$ 548.1	\$ —	\$ 1,495.7	26.9 %
Group 2	5,333.6	543.8	(2.5)	541.3	—	1,135.7	21.3 %
Corporate entities and other	402.5	162.4	16.4	178.8	0.5	(555.2)	—
Total	\$ 11,295.0	\$ 1,261.3	\$ 6.9	\$ 1,268.2	\$ 0.5	\$ 2,076.2	18.4 %
2020:							
Group 1	\$ 5,057.5	\$ 522.1	\$ (20.0)	\$ 502.1	\$ —	\$ 1,343.3	26.6 %
Group 2	4,791.9	506.5	(17.6)	488.9	—	966.8	20.2 %
Corporate entities and other	304.2	142.7	25.1	167.8	77.7	(601.0)	—
Total	\$ 10,153.6	\$ 1,171.3	\$ (12.5)	\$ 1,158.8	\$ 77.7	\$ 1,709.1	16.8 %

Financial information for the year ended December 31, 2020 reflects the transfer of our Environmental Solutions operating segment from Group 2 to Corporate entities and other, to align with how our chief operating decision maker began evaluating our operations in December 2020.

Corporate entities and other include legal, tax, treasury, information technology, risk management, human resources, closed landfills, other administrative functions and environmental solutions. National Accounts revenue included in corporate entities represents the portion of revenue generated from nationwide and regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

Significant changes in the revenue and operating margins of our reportable segments for 2021 compared to 2020 are discussed below.

Group 1

Revenue for 2021 increased 9.9% from 2020 due to an increase in both average yield and volume in all lines of business.

Operating income in Group 1 increased from \$1,343.3 million for 2020, or a 26.6% operating margin, to \$1,495.7 million for 2021, or a 26.9% operating margin. Operating income margin during 2021 was favorably impacted by the increase in revenue

attributable to economic recovery coupled with the effective management of certain operating costs. This benefit was partially offset by an increase in fuel costs.

Group 2

Revenue for 2021 increased 11.3% from 2020 due to an increase in average yield in all lines of business. Additionally, volume increased in our landfill, transfer station, and small- and large-container collection lines of business, partially offset by volume declines in our residential line of business.

Operating income in Group 2 increased from \$966.8 million for 2020, or a 20.2% operating margin, to \$1,135.7 million for 2021, or a 21.3% operating margin. Operating income margin for 2021 was favorably impacted by the increase in revenue attributable to economic recovery coupled with the effective management of certain operating costs. This benefit was partially offset by an increase in fuel costs.

Corporate Entities and Other

The Corporate entities and other operating loss decreased from \$601.0 million for 2020 to \$555.2 million for 2021. During 2021, we recorded a net loss on business divestitures and impairments of \$0.5 million. During 2020, we recorded a net loss on business divestitures and impairments of \$77.7 million, including \$42.6 million resulting from management's decision to exit certain product offerings and geographic basins in our upstream environmental solutions business.

Landfill and Environmental Matters

Our landfill costs include daily operating expenses, costs of capital for cell development, costs for final capping, closure and post-closure, and the legal and administrative costs of ongoing environmental compliance. Daily operating expenses include leachate treatment, transportation and disposal costs, methane gas and groundwater monitoring and system maintenance costs, interim cap maintenance costs, and costs associated with applying daily cover materials. We expense all indirect landfill development costs as they are incurred. We use life cycle accounting and the units-of-consumption method to recognize certain direct landfill costs related to landfill development. In life cycle accounting, certain direct costs are capitalized and charged to depletion expense based on the consumption of cubic yards of available airspace. These costs include all costs to acquire and construct a site, including excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells, and other costs associated with acquiring and developing the site. Obligations associated with final capping, closure and post-closure are capitalized and amortized on a units-of-consumption basis as airspace is consumed.

Cost and airspace estimates are developed at least annually by engineers. Our operating and accounting personnel use these estimates to adjust the rates we use to expense capitalized costs. Changes in these estimates primarily relate to changes in cost estimates, available airspace, inflation and applicable regulations. Changes in available airspace include changes in engineering estimates, changes in design and changes due to the addition of airspace lying in expansion areas that we believe have a probable likelihood of being permitted. Changes in engineering estimates typically include modifications to the available disposal capacity of a landfill based on a refinement of the capacity calculations resulting from updated information.

Available Airspace

As of December 31, 2021 and 2020, we owned or operated 198 and 186 active solid waste landfills, respectively, with total available disposal capacity estimated to be 5.0 billion in-place cubic yards in both years. For these landfills, the following table reflects changes in capacity and remaining capacity, as measured in cubic yards of airspace:

	Balance as of December 31, 2020	New Expansions Undertaken	Landfills Acquired, Net of Divestitures	Permits Granted / New Sites, Net of Closures	Airspace Consumed	Changes in Engineering Estimates	Balance as of December 31, 2021
Cubic yards (in millions):							
Permitted airspace	4,792.5	—	61.4	37.8	(79.3)	14.3	4,826.7
Probable expansion airspace	196.4	20.5	—	(30.9)	—	—	186.0
Total cubic yards (in millions)	4,988.9	20.5	61.4	6.9	(79.3)	14.3	5,012.7
Number of sites:							
Permitted airspace	186	—	13	(1)	—	—	198
Probable expansion airspace	11	2	—	(2)	—	—	11

	Balance as of December 31, 2019	New Expansions Undertaken	Landfills Acquired, Net of Divestitures	Permits Granted / New Sites, Net of Closures	Airspace Consumed	Changes in Engineering Estimates	Balance as of December 31, 2020
Cubic yards (in millions):							
Permitted airspace	4,673.0	—	(5.1)	205.8	(76.1)	(5.1)	4,792.5
Probable expansion airspace	321.7	32.9	—	(158.2)	—	—	196.4
Total cubic yards (in millions)	4,994.7	32.9	(5.1)	47.6	(76.1)	(5.1)	4,988.9
Number of sites:							
Permitted airspace	189	—	(2)	(1)	—	—	186
Probable expansion airspace	12	2	—	(3)	—	—	11

Total available disposal capacity represents the sum of estimated permitted airspace plus an estimate of probable expansion airspace. Engineers develop these estimates at least annually using information provided by annual aerial surveys. Before airspace included in an expansion area is determined to be probable expansion airspace and, therefore, included in our calculation of total available disposal capacity, it must meet all of our expansion criteria. See Note 2, *Summary of Significant Accounting Policies*, and Note 8, *Landfill and Environmental Costs*, of the notes to our consolidated financial statements in Item 8 of this Annual Report on Form 10-K for further information. Also see our *Critical Accounting Judgments and Estimates* section of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

As of December 31, 2021, 11 of our landfills met all of our criteria for including their probable expansion airspace in their total available disposal capacity. At projected annual volumes, these 11 landfills have an estimated remaining average site life of 33 years, including probable expansion airspace. The average estimated remaining life of all of our landfills is 59 years. We have other expansion opportunities that are not included in our total available airspace because they do not meet all of our criteria for treatment as probable expansion airspace.

The following table reflects the estimated operating lives of our active landfill sites based on available and probable disposal capacity using current annual volumes as of December 31, 2021:

	Number of Sites without Probable Expansion Airspace	Number of Sites with Probable Expansion Airspace	Total Sites	Percent of Total
0 to 5 years	21	—	21	10.6 %
6 to 10 years	19	—	19	9.6
11 to 20 years	25	3	28	14.1
21 to 40 years	55	3	58	29.3
41+ years	67	5	72	36.4
Total	187	11	198	100.0 %

Final Capping, Closure and Post-Closure Costs

As of December 31, 2021, accrued final capping, closure and post-closure costs were \$1,507.3 million, of which \$68.4 million were current and \$1,438.9 million were long-term as reflected in our consolidated balance sheets in accrued landfill and environmental costs included in Part II, Item 8 of this Annual Report on Form 10-K.

Remediation and Other Charges for Landfill Matters

It is reasonably possible that we will need to adjust our accrued landfill and environmental liabilities to reflect the effects of new or additional information, to the extent that such information impacts the costs, timing or duration of the required actions. Future changes in our estimates of the costs, timing or duration of the required actions could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

In 2020, we recognized an insurance recovery of \$10.8 million related to our closed Bridgeton Landfill in Missouri as a reduction of remediation expenses included in our cost of operations.

For a description of our significant remediation matters, see Note 8, *Landfill and Environmental Costs*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Investment in Landfills

As of December 31, 2021, we expect to spend an estimated additional \$9.6 billion on existing landfills, primarily related to cell construction and environmental structures, over their remaining lives. Our total expected investment, excluding non-depletable land, estimated to be \$13.8 billion, or \$2.75 per cubic yard, is used in determining our depletion and amortization expense based on airspace consumed using the units-of-consumption method.

The following table reflects our future expected investment as of December 31, 2021 (in millions):

	Balance as of December 31, 2021	Expected Future Investment	Total Expected Investment
Non-depletable landfill land	\$ 197.7	\$ —	\$ 197.7
Landfill development costs	8,539.6	9,631.5	18,171.1
Construction-in-progress - landfill	279.3	—	279.3
Accumulated depletion and amortization	(4,625.6)	—	(4,625.6)
Net investment in landfill land and development costs	\$ 4,391.0	\$ 9,631.5	\$ 14,022.5

The following table reflects our net investment in our landfills, excluding non-depletable land, and our depletion, amortization and accretion expense for the years ended December 31, 2021 and 2020:

	2021	2020
Number of landfills owned or operated	198	186
Net investment, excluding non-depletable land (in millions)	\$ 4,193.3	\$ 4,046.0
Total estimated available disposal capacity (in millions of cubic yards)	5,012.7	4,988.9
Net investment per cubic yard	\$ 0.84	\$ 0.81
Landfill depletion and amortization expense (in millions)	\$ 377.5	\$ 323.0
Accretion expense (in millions)	82.7	82.9
Airspace consumed (in millions of cubic yards)	460.2	405.9
Depletion, amortization and accretion expense per cubic yard of airspace consumed	\$ 5.80	\$ 5.33

During 2021 and 2020, our average compaction rate was approximately 2,000 pounds per cubic yard based primarily on a three-year historical moving average.

Property and Equipment

The following tables reflect the activity in our property and equipment accounts for the years ended December 31, 2021 and 2020 (in millions of dollars):

	Gross Property and Equipment							Balance as of December 31, 2021
	Balance as of December 31, 2020	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions for Asset Retirement Obligations	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	
Land	\$ 633.4	\$ 32.7	\$ (3.9)	\$ 16.6	\$ —	\$ —	\$ 16.1	\$ 694.9
Landfill development costs	7,991.7	6.5	—	65.5	46.7	58.9	370.3	8,539.6
Vehicles and equipment	8,119.0	651.0	(385.2)	109.3	—	—	82.8	8,576.9
Buildings and improvements	1,402.5	24.8	(6.9)	20.9	0.5	—	56.6	1,508.4
Construction-in-progress - landfill	303.8	358.5	—	—	—	—	(383.0)	279.3
Construction-in-progress - other	107.4	240.2	—	5.3	—	—	(170.0)	182.9
Total	\$ 18,557.8	\$ 1,313.7	\$ (396.0)	\$ 217.6	\$ 47.2	\$ 58.9	\$ (17.2)	\$ 19,782.0

Accumulated Depreciation, Amortization and Depletion							
	Balance as of December 31, 2020	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2021
Landfill development costs	\$ (4,249.5)	\$ (369.4)	\$ —	\$ 0.5	\$ (7.2)	\$ —	\$ (4,625.6)
Vehicles and equipment	(4,953.4)	(665.4)	376.3	—	—	10.9	(5,231.6)
Buildings and improvements	(628.7)	(68.9)	5.0	0.3	—	(0.4)	(692.7)
Total	\$ (9,831.6)	\$ (1,103.7)	\$ 381.3	\$ 0.8	\$ (7.2)	\$ 10.5	\$ (10,549.9)

Gross Property and Equipment								
	Balance as of December 31, 2019	Capital Additions	Retirements	Acquisitions, Net of Divestitures	Non-Cash Additions for Asset Retirement Obligations	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2020
Land	\$ 618.8	\$ 9.9	\$ (8.1)	\$ 10.4	\$ —	\$ —	\$ 2.4	\$ 633.4
Landfill development costs	7,474.7	2.6	(15.5)	62.3	40.6	(45.5)	472.5	7,991.7
Vehicles and equipment	7,766.0	654.4	(336.3)	3.9	—	—	31.0	8,119.0
Buildings and improvements	1,342.6	4.4	(6.1)	24.0	1.7	—	35.9	1,402.5
Construction-in-progress - landfill	366.8	406.9	—	(3.6)	—	—	(466.3)	303.8
Construction-in-progress - other	87.7	164.1	—	—	—	—	(144.4)	107.4
Total	\$ 17,656.6	\$ 1,242.3	\$ (366.0)	\$ 97.0	\$ 42.3	\$ (45.5)	\$ (68.9)	\$ 18,557.8

Accumulated Depreciation, Amortization and Depletion							
	Balance as of December 31, 2019	Additions Charged to Expense	Retirements	Acquisitions, Net of Divestitures	Adjustments for Asset Retirement Obligations	Impairments, Transfers and Other Adjustments	Balance as of December 31, 2020
Landfill development costs	\$ (3,968.6)	\$ (335.6)	\$ 15.5	\$ 26.2	\$ 13	\$ —	\$ (4,249.5)
Vehicles and equipment	(4,728.2)	(628.7)	322.7	44.4	—	36.4	(4,953.4)
Buildings and improvements	(576.3)	(65.5)	4.7	6.8	—	1.6	(628.7)
Total	\$ (9,273.1)	\$ (1,029.8)	\$ 342.9	\$ 77.4	\$ 13	\$ 38.0	\$ (9,831.6)

Liquidity and Capital Resources

Cash and Cash Equivalents

The following is a summary of our cash and cash equivalents and restricted cash and marketable securities balances as of December 31:

	2021	2020
Cash and cash equivalents	\$ 29.0	\$ 38.2
Restricted cash and marketable securities	139.0	149.1
Less: restricted marketable securities	(62.4)	(73.1)
Cash, cash equivalents, restricted cash and restricted cash equivalents	\$ 105.6	\$ 114.2

Our restricted cash and marketable securities include, among other things, restricted cash related to proceeds from the issuance of tax-exempt bonds that will be used to fund qualifying landfill-related expenditures in the Commonwealth of Pennsylvania, restricted cash and marketable securities pledged to regulatory agencies and governmental entities as financial guarantees of our performance under certain collection, landfill and transfer station contracts and permits, and relating to our final capping, closure and post-closure obligations at our landfills, and restricted cash and marketable securities related to our insurance obligations.

The following table summarizes our restricted cash and marketable securities as of December 31:

	2021	2020
Financing proceeds	\$ 12.4	\$ 31.5
Capping, closure and post-closure obligations	42.4	117.6
Insurance	84.2	149.1
Total restricted cash and marketable securities	<u>\$ 139.0</u>	<u>\$ 149.1</u>

Material Cash Requirements and Intended Uses of Cash

We expect existing cash, cash equivalents, restricted cash and marketable securities, cash flows from operations and financing activities to continue to be sufficient to fund our operating activities and cash commitments for investing and financing activities for at least the next 12 months and thereafter for the foreseeable future. Our known current- and long-term uses of cash include, among other possible demands: (1) capital expenditures and leases, (2) acquisitions, (3) dividend payments, (4) share repurchases, (5) repayments to service debt and other long-term obligations, and (6) payments for asset retirement obligations and environmental liabilities.

Capital Expenditures and Leases

We make investments in property and equipment primarily to allow for growth of our service offerings. These investments are largely concentrated in vehicles and equipment and costs to construct our landfills. We expect to spend approximately \$1.3 billion on capital expenditures in 2022.

We lease property and equipment in the ordinary course of business under various lease agreements. The most significant lease obligations are for real property and equipment specific to our industry, including property operated as a landfill or transfer station and operating equipment. As of December 31, 2021, the amount of total future lease payments under operating and finance leases was \$315.4 million and \$433.6 million, respectively. For additional detail regarding our lease obligations, see Note 10, *Leases*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Acquisitions

Our acquisition growth strategy focuses primarily on acquiring privately held recycling and solid waste companies and environmental solutions businesses that complement our existing business platform. We continue to invest in value-enhancing acquisitions in existing markets. In 2022, we expect to invest at least \$500 million in acquisitions.

Dividend Payments

In October 2021, our Board of Directors approved a quarterly dividend of \$0.46 per share. Aggregate cash dividends declared were \$563.0 million for the year ended December 31, 2021. As of December 31, 2021, we recorded a quarterly dividend payable of \$145.9 million to shareholders of record at the close of business on January 3, 2022, which was paid on January 14, 2022.

Share Repurchases

In October 2020, our Board of Directors approved a \$2.0 billion share repurchase authorization effective starting January 1, 2021 and extending through December 31, 2023. Share repurchases under the current program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. As of December 31, 2021, the remaining authorized purchase capacity under our October 2020 repurchase program was \$1.7 billion.

Debt and other long-term obligations

Debt repayments may include purchases of our outstanding indebtedness in the secondary market or otherwise. We believe that our excess cash, cash from operating activities and our availability to draw on our credit facilities provide us with sufficient financial resources to meet our anticipated capital requirements and maturing obligations as they come due.

We may choose to voluntarily retire certain portions of our outstanding debt before their maturity dates using cash from operations or additional borrowings. We may also explore opportunities in the capital markets to fund redemptions should market conditions be favorable. Early extinguishment of debt will result in an impairment charge in the period in which the debt is repaid. The loss on early extinguishment of debt relates to premiums paid to effectuate the repurchase and the relative portion of unamortized note discounts and debt issue costs.

As of December 31, 2021, the total principal value of our debt was \$9.7 billion of which \$8.2 million is due in 2022.

We have several agreements that require us to dispose of a minimum number of tons at third-party disposal facilities. Under these put-or-pay agreements, we must pay for agreed-upon minimum volumes regardless of the actual number of tons placed at the facilities.

Our unconditional purchase commitments have varying expiration dates, with some extending through the remaining life of the respective landfill. Future minimum payments under unconditional purchase commitments, consisting primarily of (1) disposal related agreements, which include fixed or minimum royalty payments, host agreements, and take-or-pay and put-or-pay agreements, and (2) other obligations including committed capital expenditures and consulting service agreements. As of December 31, 2021 such purchase commitments, which do not qualify for recognition on our Consolidated Balance Sheets, amount to \$772.3 million, of which \$142.6 million is short-term.

For additional detail regarding our debt and known contractual and other obligation, see Note 9, *Debt*, and Note 19, *Commitments and Contingencies*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Asset Retirement Obligations and Environmental Liabilities

We have future obligations for final capping, closure and post-closure costs with respect to the landfills we own or operate as set forth in applicable landfill permits. As of December 31, 2021, our future obligations for final capping, closure and post-closure costs totaled \$1.5 billion of which \$68.4 million was short-term.

Additionally, we are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration and the related legal costs. As of December 31, 2021, our environmental liabilities totaled \$454.9 million of which \$56.1 million was short-term.

For additional detail regarding our asset retirement obligations and environmental liabilities, see Note 8, *Landfill and Environmental Costs*, of the notes to our audited consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Summary of Cash Flow Activity

The major components of changes in cash flows for 2021 and 2020 are discussed in the following paragraphs. The following table summarizes our cash flow from operating activities, investing activities and financing activities for the years ended December 31, 2021 and 2020 (in millions of dollars):

	2021	2020
Net cash provided by operating activities	\$ 2,786.7	\$ 2,471.6
Net cash used in investing activities	\$ (2,466.1)	\$ (1,922.8)
Net cash used in financing activities	\$ (329.2)	\$ (612.0)

Cash Flows Provided by Operating Activities

The most significant items affecting the comparison of our operating cash flows for 2021 and 2020 are summarized below.

Changes in assets and liabilities, net of effects from business acquisitions and divestitures, decreased our cash flow from operations by \$94.0 million in 2021, compared to a decrease of \$129.9 million in 2020, primarily as a result of the following:

- Our accounts receivable, exclusive of the change in allowance for doubtful accounts and customer credits, increased \$135.4 million during 2021, compared to a \$13.8 million decrease in 2020. As of December 31, 2021, our days sales outstanding were 39.2, or 27.5 days net of deferred revenue, as of December 31, 2021 compared to 38.6, or 26.4 days net of deferred revenue, as of December 31, 2020.
- Our prepaid expenses and other assets increased \$57.0 million in 2021 compared to a decrease of \$6.5 million in 2020, primarily due to additional SaaS implementation costs incurred related to the redesign of certain back-office software systems in 2021. The decrease in 2020 was primarily attributable to the receipt of the Bridgeton landfill settlement in the first quarter of 2020, and an increase in alternative fuel tax credit receipts during 2020 compared to 2019, partially offset by an increase of prepaid taxes due to the timing of our estimated tax payments. We made income tax payments (net of refunds) of approximately \$300 million and \$124 million for 2021 and 2020, respectively. Income taxes paid in 2021 and 2020 reflected benefits from tax credits from our continuing investments in solar energy. In 2020, cash taxes paid also reflected a benefit from 100% bonus depreciation on qualified assets.
- Our accounts payable increased \$113.8 million during 2021 compared to a decrease of \$46.7 million during 2020, due to the timing of payments.

- Cash paid for capping, closure and post-closure obligations was \$1.0 million higher during 2021 compared to 2020. The increase in cash paid for capping, closure and post-closure obligations is primarily due to the timing of capping and post-closure payments at certain of our landfill sites.
- Cash paid for remediation obligations was \$6.4 million lower during 2021 compared to 2020, primarily due to \$18.9 million in payments related to management and monitoring of the remediation area of our closed Bridgeton Landfill in Missouri during 2021 as compared to \$25.6 million of payments during 2020.

In addition, cash paid for interest was \$249.4 million and \$325.1 million, excluding net swap settlements for our fixed to floating interest rate swaps, for 2021 and 2020, respectively.

We use cash flows from operations to fund capital expenditures, acquisitions, dividend payments, share repurchases and debt repayments.

Cash Flows Used in Investing Activities

The most significant items affecting the comparison of our cash flows used in investing activities for 2021 and 2020 are summarized below:

- Capital expenditures during 2021 were \$1,316.3 million as compared to \$1,194.6 million for 2020.
- Proceeds from sales of property and equipment during 2021 were \$19.5 million as compared to \$30.1 million for 2020.
- During 2021 and 2020, we used \$1,221.7 million and \$769.5 million, respectively, for acquisitions and investments, net of cash acquired. During 2021 and 2020, we received \$46.3 million and \$32.9 million from business divestitures, respectively.

We intend to finance capital expenditures and acquisitions through cash on hand, restricted cash held for capital expenditures, cash flows from operations, our revolving credit facilities, and tax-exempt bonds and other financings.

On February 8, 2022, we entered into a definitive agreement to acquire all outstanding shares of US Ecology, Inc. (US Ecology) in a transaction valued at approximately \$2.2 billion, including debt. US Ecology is a leading provider of environmental solutions offering treatment, recycling and disposal of hazardous, non-hazardous and specialty waste. We intend to finance the transaction using existing and new sources of debt.

Cash Flows Used in Financing Activities

The most significant items affecting the comparison of our cash flows used in financing activities for 2021 and 2020 are summarized below:

- During 2021, we issued \$700.0 million of senior notes for cash proceeds, net of discounts and fees, of \$692.3 million. During 2020, we issued \$2,750.0 million of senior notes for cash proceeds, net of discounts and fees, of \$2,716.1 million. Net payments of notes payable and long-term debt were \$150.2 million during 2021, compared to net payments of \$2,595.9 in 2020. For a more detailed discussion, see the *Financial Condition* section of this Management's Discussion and Analysis of Financial Condition and Results of Operations.
- During 2020, we paid \$99.1 million in cash premiums on the redemption of senior notes.
- During 2021, we repurchased 2.2 million shares of our stock for \$252.2 million. During 2020, we repurchased 1.2 million shares of our stock for \$98.8 million.
- In July 2021, our Board of Directors approved an increase in our quarterly dividend to \$0.46 per share. Dividends paid were \$552.6 million and \$522.5 million in 2021 and 2020, respectively.
- During 2021, we paid \$32.0 million related to the purchase of the remaining equity interest in a previously held non-controlling interest.
- During 2021 and 2020, cash paid for purchase price holdback releases and contingent purchase price related to acquisitions was \$21.3 million and \$15.5 million, respectively.

Financial Condition

Debt Obligations

As of December 31, 2021, we had \$8.2 million of principal debt maturing within the next 12 months, which includes certain finance lease obligations. All of our tax-exempt financings are remarketed either quarterly or semiannually by remarketing agents to effectively maintain a variable yield. The holders of the bonds can put them back to the remarketing agents at the end of each interest period. If the remarketing agent is unable to remarket our bonds, the remarketing agent can put the bonds to us.

In the event of a failed remarketing, we currently have availability under our \$3.0 billion unsecured revolving credit facility to fund these bonds until they are remarketed successfully. Accordingly, we have classified these borrowings as long-term in our consolidated balance sheet as of December 31, 2021.

An extended period of economic disruption associated with the COVID-19 pandemic could further disrupt the global supply chain, negatively impact demand for our services, and disrupt financial markets. These effects could materially and adversely affect our business and financial condition, including our access to sources of liquidity. We will continue to monitor the evolving COVID-19 pandemic along with the effect on our business and access to capital markets. Refer to Part I, Item 1A - Risk Factors of this Annual Report on Form 10-K for a discussion of certain risk factors related to this pandemic.

For further discussion of the components of our overall debt, see Note 9, *Debt*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Credit Facilities

The Credit Facility

In August 2021, we entered into a \$3.0 billion unsecured revolving credit facility (the Credit Facility), which replaces the prior \$2.25 billion unsecured revolving credit facility which would have matured in June 2023 (the Replaced Credit Facility). Borrowings under the Credit Facility mature in August 2026. As permitted by the Credit Facility, we have the right to request two one-year extensions of the maturity date but none of the lenders are committed to participate in such extension. The Credit Facility also includes a feature that allows us to increase availability, at our option, by an aggregate amount of up to \$1.0 billion through increased commitments from existing lenders or the addition of new lenders.

At our option, borrowings under the Credit Facility bear interest at a Base Rate, a daily floating London Interbank Offered Rate (LIBOR), or a Eurodollar Rate, plus an applicable margin of 0.910% based on our Debt Ratings (all as defined in the Credit Facility agreement). On the earliest of (i) the date that all available tenors of U.S. dollar LIBOR have permanently or indefinitely ceased to be provided or have been announced to be no longer representative, (ii) June 30, 2023 or (iii) the effective date of an election to opt into a secured overnight financing rate (SOFR), the LIBOR rate will be replaced by a forward-looking term rate based on SOFR or a daily rate based on SOFR published on such date.

The Credit Facility is subject to facility fees based on applicable rates defined in the Credit Facility agreement and the aggregate commitment, regardless of usage. Availability under our Credit Facility and Replaced Credit Facility totaled \$2,633.8 million and \$1,671.8 million as of December 31, 2021 and 2020, respectively. The Credit Facility can be used for working capital, capital expenditures, acquisitions, letters of credit and other general corporate purposes. The Credit Facility agreement requires us to comply with financial and other covenants. We may pay dividends and repurchase common stock if we are in compliance with these covenants.

As of December 31, 2021 and 2020, we had \$24.3 million and \$186.0 million of borrowings outstanding under our Credit Facility and Replaced Credit Facility, respectively. We had \$341.9 million and \$376.5 million of letters of credit outstanding under our Credit Facility and Replaced Credit Facility as of December 31, 2021 and 2020, respectively.

Uncommitted Credit Facility

In January 2022, we entered into a \$200.0 million unsecured uncommitted revolving credit facility (the Uncommitted Credit Facility), which replaces the prior \$135.0 million uncommitted credit facility (the Replaced Uncommitted Credit Facility). The Uncommitted Credit Facility bears interest at an annual percentage rate to be agreed upon by both parties, rather than a LIBOR or Cost of Funds rate used in the Replaced Uncommitted Credit Facility (as defined in the Replaced Uncommitted Credit Facility agreement). Borrowings under the Uncommitted Credit Facility can be used for working capital, letters of credit, and other general corporate purposes. The agreement governing our Uncommitted Credit Facility requires us to comply with certain covenants. The Uncommitted Credit Facility may be terminated by either party at any time. As of December 31, 2021 and 2020, we had no borrowings outstanding under our Replaced Uncommitted Credit Facility.

Financial and Other Covenants

The Credit Facility requires us to comply with financial and other covenants. To the extent we are not in compliance with these covenants, we cannot pay dividends or repurchase common stock. Compliance with covenants also is a condition for any incremental borrowings under the Credit Facility, and failure to meet these covenants would enable the lenders to require repayment of any outstanding loans (which would adversely affect our liquidity). The Credit Facility provides that our total debt to EBITDA ratio may not exceed 3.75 to 1.00 as of the last day of any fiscal quarter. In the case of an "elevated ratio period", which may be elected by us if one or more acquisitions during a fiscal quarter involve aggregate consideration in excess of \$200.0 million (the Trigger Quarter), the total debt to EBITDA ratio may not exceed 4.25 to 1.00 during the Trigger Quarter and for the three fiscal quarters thereafter. The Credit Facility also provides that there may not be more than two elevated ratio periods during the respective term of the Credit Facility agreement. As of December 31, 2021, our total debt to

EBITDA ratio was 2.89 compared to the 3.75 maximum allowed by the covenants. As of December 31, 2021, we were in compliance with the covenants under the Credit Facility, and we expect to be in compliance throughout 2022.

EBITDA, which is a non-GAAP measure, is calculated as defined in our Credit Facility agreement. In this context, EBITDA is used solely to provide information regarding the extent to which we are in compliance with debt covenants and is not comparable to EBITDA used by other companies or used by us for other purposes.

Failure to comply with the financial and other covenants under the Credit Facility, as well as the occurrence of certain material adverse events, would constitute defaults and would allow the lenders under the Credit Facility to accelerate the maturity of all indebtedness under the Credit Facility agreement. This could have an adverse effect on the availability of financial assurances. In addition, maturity acceleration on the Credit Facility constitutes an event of default under our other debt instruments, including our senior notes, and, therefore, our senior notes would also be subject to acceleration of maturity. If such acceleration were to occur, we would not have sufficient liquidity available to repay the indebtedness. We would likely have to seek an amendment under the Credit Facility agreement for relief from the financial covenant or repay the debt with proceeds from the issuance of new debt or equity, or asset sales, if necessary. We may be unable to amend the Credit Facility agreement or raise sufficient capital to repay such obligations in the event the maturity is accelerated.

Senior Notes and Debentures

In November 2021, we issued \$700.0 million of 2.375% senior notes due 2033 (the 2.375% Notes). We used the net proceeds for general corporate purposes, including repayment of amounts outstanding under our unsecured and uncommitted credit facilities. Prior to such use, Republic may have temporarily invested the net proceeds in marketable securities and short-term investments.

During the second quarter of 2021, we paid the entire \$35.3 million principal balance of our 9.250% debentures which matured in May 2021.

Our senior notes are general senior unsecured obligations. Interest is payable semi-annually.

Derivative Instruments and Hedging Relationships

Our ability to obtain financing through the capital markets is a key component of our financial strategy. Historically, we have managed risk associated with executing this strategy, particularly as it relates to fluctuations in interest rates, by using a combination of fixed and floating rate debt. From time to time, we also have entered into interest rate swap and lock agreements to manage risk associated with interest rates, either to effectively convert specific fixed rate debt to a floating rate (fair value hedges), or to lock interest rates in anticipation of future debt issuances (cash flow hedges).

For a description of our derivative contracts and hedge accounting, see Note 9, *Debt*, to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Tax-Exempt Financings

As of December 31, 2021, we had \$1,181.5 million of certain variable rate tax-exempt financings outstanding with maturities ranging from 2023 to 2051. As of December 31, 2020, we had \$1,104.7 million of certain variable rate tax-exempt financings outstanding with maturities ranging from 2021 to 2050. During the year ended December 31, 2021 and 2020, we issued \$205.0 million and \$60.0 million, respectively, of new tax-exempt financings.

In the fourth quarter of 2021, the Pennsylvania Economic Development Financing Authority issued, for our benefit, \$30.0 million of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, will be used to fund qualifying landfill-related expenditures in the Commonwealth of Pennsylvania, of which \$17.2 million has been incurred and reimbursed to us. As of December 31, 2021, we had \$139.0 million of restricted cash and marketable securities, of which \$12.4 million represented proceeds from the issuance of the tax-exempt bonds.

Finance Leases

We had finance lease liabilities of \$249.4 million and \$206.5 million as of December 31, 2021 and 2020, respectively, with maturities ranging from 2022 to 2063 and 2021 to 2063, respectively.

Financial Assurance

We must provide financial assurance to governmental agencies and a variety of other entities under applicable environmental regulations relating to our landfill operations for capping, closure and post-closure costs, and related to our performance under certain collection, landfill and transfer station contracts. We satisfy these financial assurance requirements by providing surety bonds, letters of credit, or insurance policies (Financial Assurance Instruments), or trust deposits, which are included in restricted cash and marketable securities and other assets in our consolidated balance sheets. The amount of the financial assurance requirements for capping, closure and post-closure costs is determined by applicable state environmental regulations.

The financial assurance requirements for capping, closure and post-closure costs may be associated with a portion of the landfill or the entire landfill. Generally, states require a third-party engineering specialist to determine the estimated capping, closure and post-closure costs that are used to determine the required amount of financial assurance for a landfill. The amount of financial assurance required can, and generally will, differ from the obligation determined and recorded under U.S. GAAP. The amount of the financial assurance requirements related to contract performance varies by contract. Additionally, we must provide financial assurance for our insurance program and collateral for certain performance obligations. We do not expect a material increase in financial assurance requirements during 2022, although the mix of Financial Assurance Instruments may change.

These Financial Assurance Instruments are issued in the normal course of business and are not classified as indebtedness. Because we currently have no liability for the Financial Assurance Instruments, they are not reflected in our consolidated balance sheets; however, we record capping, closure and post-closure liabilities and insurance liabilities as they are incurred.

Critical Accounting Judgments and Estimates

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and necessarily include certain estimates and judgments made by management. The following is a list of accounting policies that we believe are the most critical in understanding our consolidated financial position, results of operations and cash flows and that may require management to make subjective or complex judgments about matters that are inherently uncertain. Our critical accounting estimates are those estimates that involve a significant level of uncertainty at the time the estimate was made, and changes in them have had or are reasonably likely to have a material effect on our financial condition or results of operations. Accordingly, actual results could differ materially from our estimates. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. Such critical accounting policies, estimates and judgments are applicable to all of our operating segments.

We have noted examples of the estimates that are subject to uncertainty in the accounting for these areas below.

Landfill Accounting

Landfill operating costs are treated as period expenses and are not discussed further in this section.

Our landfill assets and liabilities fall into the following two categories, each of which requires accounting judgments and estimates:

- Landfill development costs that are capitalized as an asset.
- Landfill retirement obligations relating to our capping, closure and post-closure liabilities that result in a corresponding landfill retirement asset.

We use life-cycle accounting and the units-of-consumption method to recognize landfill development costs over the life of the site. In life-cycle accounting, all current and future capitalized costs to acquire and construct a site are calculated, and charged to expense based on the consumption of cubic yards of available airspace. Obligations associated with final capping, closure and post-closure are also capitalized, and amortized on a units-of-consumption basis as airspace is consumed. Cost and airspace estimates are developed at least annually by engineers.

Landfill Development Costs

As of December 31, 2021 and 2020, we had net landfill development costs of \$3,914.0 million and \$3,742.2 million, respectively. Changes in these estimates may be sensitive to changes in cost estimates, inflation and applicable regulations.

Site permits. To develop, construct and operate a landfill, we must obtain permits from various regulatory agencies at the local, state and federal levels. The permitting process requires an initial site study to determine whether the location is feasible for landfill operations. The initial studies are reviewed by our environmental management group and then submitted to the regulatory agencies for approval. During the development stage we capitalize certain costs that we incur after site selection but before the receipt of all required permits if we believe that it is probable that the site will be permitted.

These estimates are subject to uncertainty attributable to:

- Changes in legislative or regulatory requirements may cause changes to the landfill site permitting process. These changes could make it more difficult and costly to obtain and maintain a landfill permit.
- Studies performed could be inaccurate, which could result in the denial or revocation of a permit and changes to accounting assumptions. Conditions could exist that were not identified in the study, which may make the location not feasible for a landfill and could result in the denial of a permit. Denial or revocation of a permit could impair the recorded value of the landfill asset.

- Actions by neighboring parties, private citizen groups or others to oppose our efforts to obtain, maintain or expand permits could result in denial, revocation or suspension of a permit, which could adversely impact the economic viability of the landfill and could impair the recorded value of the landfill. As a result of opposition to our obtaining a permit, improved technical information as a project progresses, or changes in the anticipated economics associated with a project, we may decide to reduce the scope of, or abandon, a project, which could result in an asset impairment.

Technical landfill design. Upon receipt of initial regulatory approval, technical landfill designs are prepared. The technical designs, which include the detailed specifications to develop and construct all components of the landfill including the types and quantities of materials that will be required, are reviewed by our environmental management group. The technical designs are submitted to the regulatory agencies for approval. Upon approval of the technical designs, the regulatory agencies issue permits to develop and operate the landfill.

These estimates are subject to uncertainty attributable to:

- Changes in legislative or regulatory requirements may require changes in the landfill technical designs. These changes could make it more difficult and costly to meet new design standards.
- Technical design requirements, as approved, may need modifications at some future point in time.
- Technical designs could be inaccurate and could result in increased construction costs, difficulty in obtaining a permit or the use of rates to recognize the amortization of landfill development costs and asset retirement obligations that are not appropriate.

Permitted and probable landfill disposal capacity. Included in the technical designs are factors that determine the ultimate disposal capacity of the landfill. These factors include the area over which the landfill will be developed, such as the depth of excavation, the height of the landfill elevation and the angle of the side-slope construction. The disposal capacity of the landfill is calculated in cubic yards. This measurement of volume is then converted to a disposal capacity expressed in tons based on a site-specific expected density to be achieved over the remaining operating life of the landfill.

These estimates are subject to uncertainty attributable to:

- Estimates of future disposal capacity may change as a result of changes in legislative or regulatory design requirements.
- The density of waste may vary due to variations in operating conditions, including waste compaction practices, site design, climate and the nature of the waste.
- Capacity is defined in cubic yards but waste received is measured in tons. The number of tons per cubic yard varies by type of waste and our rate of compaction.

Development costs. The types of costs that are detailed in the technical design specifications generally include excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection systems and monitoring probes, installation of groundwater monitoring wells, construction of leachate management facilities and other costs associated with the development of the site. We review the adequacy of our cost estimates on an annual basis by comparing estimated costs with third-party bids or contractual arrangements, reviewing the changes in year-over-year cost estimates for reasonableness, and comparing our resulting development cost per acre with prior period costs. These development costs, together with any costs incurred to acquire, design and permit the landfill, including capitalized interest, are recorded to the landfill asset on the balance sheet as incurred.

These estimates are subject to uncertainty attributable to:

- Actual future costs of construction materials and third-party labor could differ from the costs we have estimated because of the level of demand and the availability of the required materials and labor. Technical designs could be altered due to unexpected operating conditions, regulatory changes or legislative changes.

Landfill development asset amortization. To match the expense related to the landfill asset with the revenue generated by the landfill operations, we amortize the landfill development asset over its operating life on a per-ton basis as waste is accepted at the landfill. The landfill asset is fully amortized at the end of a landfill's operating life. The per-ton rate is calculated by dividing the sum of the landfill development asset net book value plus estimated future development costs (as described above) for the landfill, by the landfill's estimated remaining disposal capacity. The expected future development costs are not inflated or discounted, but rather expressed in nominal dollars. This rate is applied to each ton accepted at the landfill to arrive at amortization expense for the period.

Amortization rates may be sensitive to the original cost basis of the landfill, including acquisition costs, which in turn is determined by geographic location and market values. We secure significant landfill assets through business acquisitions and

value them at the time of acquisition based on fair value. Amortization rates are also influenced by site-specific engineering and cost factors.

These estimates are subject to uncertainty attributable to:

- Changes in our future development cost estimates or our disposal capacity will normally result in a change in our amortization rates and will impact amortization expense prospectively. An unexpected significant increase in estimated costs or reduction in disposal capacity could affect the ongoing economic viability of the landfill and result in asset impairment.

On at least an annual basis, we update the estimates of future development costs and remaining disposal capacity for each landfill. These costs and disposal capacity estimates are reviewed and approved by senior operations management annually. Changes in cost estimates and disposal capacity are reflected prospectively in the landfill amortization rates that are updated annually. See our *Results of Operations* section in this Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion on changes to our landfill depletion and amortization.

Landfill Asset Retirement Obligations

We have two types of retirement obligations related to landfills: (1) capping and (2) closure and post-closure. As of December 31, 2021 and 2020, our asset retirement obligations related to capping, closure and post-closure were \$1,507.3 million and \$1,346.4 million, respectively. Changes in these estimates may be sensitive to changes in available airspace, cost estimates, inflation, our credit-adjusted, risk-free interest rate and applicable regulations.

Obligations associated with final capping activities that occur during the operating life of the landfill are recognized on a units-of-consumption basis as airspace is consumed within each discrete capping event. Obligations related to closure and post-closure activities that occur after the landfill has ceased operations are recognized on a units-of-consumption basis as airspace is consumed throughout the entire life of the landfill. Landfill retirement obligations are capitalized as the related liabilities are recognized and amortized using the units-of-consumption method over the airspace consumed within the capping event or the airspace consumed within the entire landfill, depending on the nature of the obligation. All obligations are initially measured at estimated fair value. Fair value is calculated on a present value basis using an inflation rate and our credit-adjusted, risk-free rate in effect at the time the liabilities were incurred. Future costs for final capping, closure and post-closure are developed at least annually by engineers, and are inflated to future value using estimated future payment dates and inflation rate projections.

Landfill capping. As individual areas within each landfill reach capacity, we must cap and close the areas in accordance with the landfill site permit. These requirements are detailed in each landfill's technical design, which is reviewed and approved by the regulatory agency issuing the landfill site permit.

Closure and post-closure. Closure costs are costs incurred after a landfill stops receiving waste, but prior to being certified as closed. After the entire landfill has reached capacity and is certified closed, we must continue to maintain and monitor the site for a post-closure period, which generally extends for 30 years. Costs associated with closure and post-closure requirements generally include maintenance of the site, the monitoring of methane gas collection systems and groundwater systems, and other activities that occur after the site has ceased accepting waste. Costs associated with post-closure monitoring generally include groundwater sampling, analysis and statistical reports, third-party labor associated with gas system operations and maintenance, transportation and disposal of leachate, and erosion control costs related to the final cap.

Landfill retirement obligation liabilities and assets. Estimates of the total future costs required to cap, close and monitor each landfill as specified by the landfill permit are updated annually. The estimates include inflation, the specific timing of future cash outflows, and the anticipated waste flow into the capping events. Our cost estimates are inflated to the period of performance using an estimate of inflation, which is updated annually and is based upon the ten year average consumer price index (1.7% in both 2021 and 2020).

The present value of the remaining capping costs for specific capping events and the remaining closure and post-closure costs for each landfill are recorded as incurred on a per-ton basis. These liabilities are incurred as disposal capacity is consumed at the landfill.

Capping, closure and post-closure liabilities are recorded in layers and discounted using our credit-adjusted risk-free rate in effect at the time the obligation is incurred (3.4% in both 2021 and 2020).

Retirement obligations are increased each year to reflect the passage of time by accreting the balance at the weighted average credit-adjusted risk-free rate that was used to calculate each layer of the recorded liabilities. This accretion is charged to operating expenses. Actual cash expenditures reduce the asset retirement obligation liabilities as they are made.

Corresponding retirement obligation assets are recorded for the same value as the additions to the capping, closure and post-closure liabilities. The retirement obligation assets are amortized to expense on a per-ton basis as disposal capacity is consumed. The per-ton rate is calculated by dividing the sum of each of the recorded retirement obligation asset's net book

value and expected future additions to the retirement obligation asset by the remaining disposal capacity. A per-ton rate is determined for each separate capping event based on the disposal capacity relating to that event. Closure and post-closure per-ton rates are based on the total disposal capacity of the landfill.

These estimates are subject to uncertainty attributable to:

- Changes in legislative or regulatory requirements, including changes in capping, closure activities or post-closure monitoring activities, types and quantities of materials used, or term of post-closure care, could cause changes in our cost estimates.
- Changes in the landfill retirement obligation due to changes in the anticipated waste flow, changes in airspace compaction estimates or changes in the timing of expenditures for closed landfills and fully incurred but unpaid capping events are recorded in results of operations prospectively. This could result in unanticipated increases or decreases in expense.
- Actual timing of disposal capacity utilization could differ from projected timing, causing differences in timing of when amortization and accretion expense is recognized for capping, closure and post-closure liabilities.
- Changes in inflation rates could impact our actual future costs and our total liabilities.
- Changes in our capital structure or market conditions could result in changes to the credit-adjusted risk-free rate used to discount the liabilities, which could cause changes in future recorded liabilities, assets and expense.
- Amortization rates could change in the future based on the evaluation of new facts and circumstances relating to landfill capping design, post-closure monitoring requirements, or the inflation or discount rate.

On an annual basis, we update our estimates of future capping, closure and post-closure costs and of future disposal capacity for each landfill. Revisions in estimates of our costs or timing of expenditures are recognized immediately as increases or decreases to the capping, closure and post-closure liabilities and the corresponding retirement obligation assets. Changes in the assets result in changes to the amortization rates which are applied prospectively, except for fully incurred capping events and closed landfills, where the changes are recorded immediately in results of operations since the associated disposal capacity has already been consumed. See our *Results of Operations* section in this Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion on changes to our landfill depletion and amortization.

Permitted and probable disposal capacity. Disposal capacity is determined by the specifications detailed in the landfill permit. We classify this disposal capacity as permitted. We also include probable expansion disposal capacity in our remaining disposal capacity estimates, thus including additional disposal capacity being sought through means of a permit expansion. Probable expansion disposal capacity has not yet received final approval from the applicable regulatory agencies, but we have determined that certain critical criteria have been met and that the successful completion of the expansion is probable. We have developed six criteria that must be met before an expansion area is designated as probable expansion airspace. We believe that satisfying all of these criteria demonstrates a high likelihood that expansion airspace that is incorporated in our landfill costing will be permitted. However, because some of these criteria are judgmental, they may exclude expansion airspace that will eventually be permitted or include expansion airspace that will not be permitted. In either of these scenarios, our amortization, depletion and accretion expense could change significantly. Our internal criteria to classify disposal capacity as probable expansion airspace are as follows:

- We own the land associated with the expansion airspace or control it pursuant to an option agreement;
- We are committed to supporting the expansion project financially and with appropriate resources;
- There are no identified fatal flaws or impediments associated with the project, including political impediments;
- Progress is being made on the project;
- The expansion is attainable within a reasonable time frame; and
- We believe it is likely we will receive the expansion permit.

After successfully meeting these criteria, the disposal capacity that will result from the planned expansion is included in our remaining disposal capacity estimates. Additionally, for purposes of calculating landfill amortization and capping, closure and post-closure rates, we include the incremental costs to develop, construct, close and monitor the related probable expansion disposal capacity.

These estimates are subject to uncertainty attributable to:

- We may be unsuccessful in obtaining permits for probable expansion disposal capacity because of the failure to obtain the final local, state or federal permits or due to other unknown reasons. If we are unsuccessful in obtaining permits for

probable expansion disposal capacity, or the disposal capacity for which we obtain approvals is less than what was estimated, both our estimated total costs and disposal capacity will be reduced, which generally increases the rates we charge for landfill amortization and capping, closure and post-closure accruals. An unexpected decrease in disposal capacity could also cause an asset impairment.

Environmental Liabilities

We are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Under current laws and regulations, we may be responsible for environmental remediation at sites that we either own or operate, including sites that we have acquired, or sites where we have (or a company that we have acquired has) delivered waste. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration and the related legal costs. To estimate our ultimate liability at these sites, we evaluate several factors, including the nature and extent of contamination at each identified site, the required remediation methods, timing of expenditures, the apportionment of responsibility among the potentially responsible parties and the financial viability of those parties. We accrue for costs associated with environmental remediation obligations when such costs are probable and reasonably estimable in accordance with accounting for loss contingencies. We periodically review the status of all environmental matters and update our estimates of the likelihood of and future expenditures for remediation as necessary. Changes in the liabilities resulting from these reviews are recognized currently in earnings in the period in which the adjustment is known. Adjustments to estimates are reasonably possible in the near term and may result in changes to recorded amounts. With the exception of those obligations assumed in certain business combinations, environmental obligations are recorded on an undiscounted basis. Environmental obligations assumed in certain business combinations are initially estimated on a discounted basis, and accreted to full value over time through charges to interest expense. Adjustments arising from changes in amounts and timing of estimated costs and settlements may result in increases or decreases in these obligations and are calculated on a discounted basis as they were initially estimated on a discounted basis. These adjustments are charged to operating income when they are known. We perform a comprehensive review of our environmental obligations annually and also review changes in facts and circumstances associated with these obligations at least quarterly. See our *Results of Operations* section in this Management's Discussion and Analysis of Financial Condition and Results of Operations for discussion on our remediation adjustments. We have not reduced the liabilities we have recorded for recoveries from other potentially responsible parties or insurance companies. As of December 31, 2021 and 2020, we had \$454.9 million and \$462.8 million of environmental liabilities. Changes in these estimates may be sensitive to changes in cost estimates, timing of estimated costs and settlements, inflation, our credit-adjusted, risk-free interest rate and applicable regulations.

These estimates are subject to uncertainty attributable to:

- We cannot determine with precision the ultimate amounts of our environmental remediation liabilities. Our estimates of these liabilities require assumptions about uncertain future events. Thus, our estimates could change substantially as additional information becomes available regarding the nature or extent of contamination, the required remediation methods, timing of expenditures, the final apportionment of responsibility among the potentially responsible parties identified, the financial viability of those parties, and the actions of governmental agencies or private parties with interests in the matter. The actual environmental costs may exceed our current and future accruals for these costs, and any adjustments could be material.
- Actual amounts could differ from the estimated liabilities as a result of changes in estimated future litigation costs to pursue the matter to ultimate resolution.
- An unanticipated environmental liability that arises could result in a material charge to our consolidated statements of income.

Insurance Reserves and Related Costs

Our insurance policies for workers' compensation, commercial general liability, commercial auto liability and environmental liability are high deductible, or retention programs. The deductibles, or retentions, range from \$3 million to \$10 million. The employee-related health benefits are also subject to a high-deductible insurance policy. Accruals for deductibles or retentions are based on claims filed and actuarial estimates of claims development and claims incurred but not reported. As of December 31, 2021 and 2020, our insurance reserves were \$497.4 million and \$449.3 million, respectively. Changes in these estimates may be sensitive to changes in the frequency, severity and settlement amount of claims.

These estimates are subject to uncertainty attributable to:

- Incident rates, including frequency and severity, and other actuarial assumptions could change causing our current and future actuarially determined obligations to change, which would be reflected in our consolidated statements of income in the period in which such adjustment is known.

- Recorded reserves may not be adequate to cover the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments would be reflected in the consolidated statements of income in the periods in which such adjustments are known.
- The settlement costs to discharge our obligations, including legal and health care costs, could increase or decrease causing current estimates of our insurance reserves to change.

New Accounting Standards

For a description of new accounting standards that may affect us, see Note 2, *Summary of Significant Accounting Policies*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our major market risk exposure of our financial instruments is changing interest rates in the United States and fluctuations in LIBOR or, following the termination of LIBOR, SOFR. We intend to manage interest rate risk through the use of a combination of fixed and floating rate debt. The carrying value of our variable rate debt approximates fair value because interest rates are variable and, accordingly, approximates current market rates for instruments with similar risk and maturities. The fair value of our debt is determined as of the balance sheet date and is subject to change. We have historically entered into multiple swap agreements designated as cash flow hedges to manage exposure to fluctuations in interest rates on our variable rate debt.

The table below provides information about certain of our market-sensitive financial instruments and constitutes a forward-looking statement.

	Expected Maturity Date						Total	Fair Value as of December 31, 2021
	2022	2023	2024	2025	2026	Thereafter		
Fixed rate debt:								
Amount outstanding (in millions)	\$ 8.2	\$ 331.0	\$ 906.3	\$ 856.7	\$ 507.1	\$ 5,855.6	\$ 8,464.9	\$9,050.2
Variable rate debt:								
Amount outstanding (in millions)	\$ —	\$ 144.2	\$ 20.6	\$ —	\$ 106.1	\$ 942.5	\$ 1,213.4	\$1,205.8

The fixed and variable rate debt amounts above exclude the remaining non-cash discounts, premiums and adjustments to fair value totaling \$123.9 million.

As of December 31, 2021, we had \$1,213.4 million of floating rate debt and \$300.0 million of floating interest rate swap contracts. If interest rates increased or decreased by 100 basis points on our variable rate debt, annualized interest expense and net cash payments for interest would increase or decrease by approximately \$15 million. This analysis does not reflect the effect that interest rates would have on other items, such as new borrowings and the impact on the economy. See Note 9, *Debt*, of the notes to our consolidated financial statements in Part II, Item 8 of this Form 10-K for further information regarding how we manage interest rate risk.

Fuel Price Risk

Fuel costs represent a significant operating expense. When economically practical, we may enter into new fuel hedges, renew contracts, or engage in other strategies to mitigate market risk. As of December 31, 2021, we had no fuel hedges in place. While we charge fuel recovery fees to a majority of our customers, we are unable to charge such fees to all customers.

At current consumption levels, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel costs by approximately \$26 million per year. Offsetting these changes in fuel expense would be changes in our fuel recovery fee charged to our customers. At current participation rates, we believe a twenty-cent per gallon change in the price of diesel fuel would change our fuel recovery fee by approximately \$26 million per year.

Our operations also require the use of certain petrochemical-based products (such as liners at our landfills) whose costs may vary with the price of petrochemicals. An increase in the price of petrochemicals could increase the cost of those products, which would increase our operating and capital costs. We also are susceptible to increases in fuel recovery fees from our vendors.

Our fuel costs were \$383.0 million in 2021, or 3.4% of revenue, compared to \$271.7 million in 2020, or 2.7% of revenue.

Commodities Price Risk

We market recovered materials such as old corrugated containers and old newsprint from our recycling processing centers. Changes in market supply and demand for recycled commodities causes volatility in commodity prices. In prior periods, we have entered into derivative instruments such as swaps and costless collars designated as cash flow hedges to manage our exposure to changes in prices of these commodities. As of December 31, 2021, we had no recycling commodity hedges in place.

At current volumes and mix of materials, we believe a \$10 per ton change in the price of recycled commodities would change annual revenue and operating income by approximately \$22 million and \$10 million, respectively.

Revenue from recycling processing and commodity sales during the years ended December 31, 2021 and 2020 was \$420.5 million and \$297.1 million, respectively.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Republic Services, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Republic Services, Inc. (the Company) as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 10, 2022, expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Landfill Development Asset Amortization

Description of the Matter

At December 31, 2021, the net book value of the Company's landfill development assets totaled \$3,914.0 million, and the associated landfill development asset amortization expense for 2021 was \$377.5 million. Significant assumptions used in calculating the amortization expense include estimated future development costs associated with the land, permitting, cell construction and environmental structures of the landfill in relation to airspace consumed to date and total estimated available airspace. These assumptions have a significant effect on the total landfill amortization expense. As discussed in Note 2 to the consolidated financial statements, costs and airspace estimates are developed at least annually, or more often if significant facts change.

How We Addressed the Matter in Our Audit

Auditing landfill development asset amortization expense is complex due to the highly judgmental nature of the assumptions used in the calculation of the expense and required the involvement of specialists to assist us with evaluating estimated future development costs and certain assumptions to project total estimated available airspace.

We tested controls that address the risks of material misstatement relating to the measurement and valuation of landfill development asset amortization expense. For example, we tested controls over the estimation of future landfill development costs and management's review of the assumptions to project total estimated available airspace.

To test the landfill development asset amortization expense, our audit procedures included, among others, assessing methodologies and testing the significant assumptions discussed above related to the underlying cost and airspace data used by the Company. We compared the significant assumptions used by management to historical trends and, when available, to comparable size landfills accepting the same type of waste. We also tested the completeness and accuracy of the historical data utilized in the development of the amortization expense. Regarding available airspace, we evaluated the Company's estimation of the landfill disposal capacity through a comparison of airspace to historical estimates and annual aerial surveys. We involved EY engineering specialists to assist us with evaluating estimated future development costs and certain assumptions to project total estimated available airspace.

Landfill Final Capping, Closure and Post-Closure Costs

Description of the Matter

At December 31, 2021, the carrying value of the Company's landfill final capping, closure and post-closure costs totaled \$1,507.3 million. As discussed in Notes 2 and 8 to the consolidated financial statements, asset retirement obligations for final capping, closure and post-closure are measured at their estimated fair value. Management updates the assumptions used to estimate asset retirement obligations at least annually, or more often if significant facts change. These assumptions include estimated future costs associated with the final capping, closure and post-closure activities at each landfill, airspace consumed to date, estimated available airspace, projected annual tonnage volume, projected timing of capping, closure and post-closure activities and estimated inflation and discount rates. These assumptions have a significant effect on the estimated asset retirement obligation.

How We Addressed the Matter in Our Audit

Auditing the landfill asset retirement obligation is complex due to the highly judgmental nature of the assumptions used in the measurement process and required the involvement of specialists to assist us with evaluating the costs estimated for the capping, closure and post-closure activities and certain assumptions to project total estimated available airspace.

We tested controls that address the risks of material misstatement relating to the completeness, measurement and valuation of the asset retirement obligation. For example, we tested controls over management's development of the landfill asset retirement obligation models to estimate the future liability and management's review of data inputs and projections.

To test the landfill asset retirement obligation, our audit procedures included, among others, assessing methodologies used by the Company, testing the completeness of activities included in the estimate (e.g., gas monitoring and leachate management) and testing the significant assumptions discussed above, as well as the underlying costs and other estimates used by the Company in its development of these assumptions. We compared the significant assumptions used by management to historical trends and, when available, to comparable size landfills accepting the same type of waste. We also tested the completeness and accuracy of the historical data utilized in preparing the estimate. We involved EY engineering specialists to assist us with evaluating the costs estimated for the capping, closure and post-closure activities and the reasons for significant changes in assumptions from historical trends and determined whether the change from the historical trend was appropriate and identified timely. EY engineering specialists were also involved in evaluating certain assumptions to project total estimated available airspace.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Phoenix, Arizona

February 10, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Republic Services, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Republic Services, Inc.'s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control -- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Republic Services, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Republic Services, Inc. as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and our report dated February 10, 2022, expressed an unqualified opinion thereon.

As indicated in the accompanying Report of Management on Republic Services, Inc.'s Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Santek Waste Services, LLC and ACV Enviro Corporation, which are included in the 2021 consolidated financial statements of the Company and constituted less than 2% of revenues for the year ended December 31, 2021. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Santek Waste Services, LLC and ACV Enviro Corporation.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Republic Services, Inc.'s Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Phoenix, Arizona

February 10, 2022

REPUBLIC SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 29.0	\$ 38.2
Accounts receivable, less allowance for doubtful accounts and other of \$38.5 and \$34.7, respectively	1,271.4	1,091.3
Prepaid expenses and other current assets	410.4	392.3
Total current assets	1,710.8	1,521.8
Restricted cash and marketable securities	139.0	149.1
Property and equipment, net	9,232.1	8,726.2
Goodwill	12,826.0	12,046.4
Other intangible assets, net	259.5	173.1
Other assets	787.6	817.4
Total assets	\$ 24,955.0	\$ 23,434.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 910.0	\$ 779.0
Notes payable and current maturities of long-term debt	8.2	168.1
Deferred revenue	381.3	345.6
Accrued landfill and environmental costs, current portion	124.5	114.5
Accrued interest	62.1	54.6
Other accrued liabilities	929.5	820.2
Total current liabilities	2,415.6	2,282.0
Long-term debt, net of current maturities	9,546.2	8,766.1
Accrued landfill and environmental costs, net of current portion	1,837.7	1,694.7
Deferred income taxes and other long-term tax liabilities, net	1,229.5	1,238.8
Insurance reserves, net of current portion	303.9	281.8
Other long-term liabilities	642.4	681.8
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, par value \$0.01 per share; 50 shares authorized; none issued	—	—
Common stock, par value \$0.01 per share; 750 shares authorized; 319.6 and 318.8 issued including shares held in treasury, respectively	3.2	3.2
Additional paid-in capital	2,789.5	2,741.4
Retained earnings	6,475.6	5,751.8
Treasury stock, at cost; 2.4 and — shares, respectively	(274.8)	(0.1)
Accumulated other comprehensive income, net of tax	(14.6)	(12.4)
Total Republic Services, Inc. stockholders' equity	8,978.9	8,483.9
Non-controlling interests in consolidated subsidiary	0.8	4.9
Total stockholders' equity	8,979.7	8,488.8
Total liabilities and stockholders' equity	\$ 24,955.0	\$ 23,434.0

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share data)

	Years Ended December 31,		
	2021	2020	2019
Revenue	\$ 11,295.0	\$ 10,153.6	\$ 10,299.4
Expenses:			
Cost of operations	6,737.7	6,100.5	6,298.4
Depreciation, amortization and depletion	1,185.5	1,075.9	1,040.5
Accretion	82.7	82.9	81.9
Selling, general and administrative	1,195.8	1,053.0	1,091.9
Withdrawal costs - multiemployer pension funds	—	34.5	—
Loss (gain) on business divestitures and impairments, net	0.5	77.7	(14.7)
Restructuring charges	16.6	20.0	14.2
Operating income	2,076.2	1,709.1	1,787.2
Interest expense	(314.6)	(355.6)	(392.0)
Loss from unconsolidated equity method investments	(188.5)	(118.2)	(112.2)
Loss on extinguishment of debt	—	(101.9)	—
Interest income	2.5	5.2	6.4
Other (expense) income, net	(0.5)	4.1	6.4
Income before income taxes	1,575.1	1,142.7	1,295.8
Provision for income taxes	282.8	173.1	222.0
Net income	1,292.3	969.6	1,073.8
Net income attributable to non-controlling interests in consolidated subsidiary	(1.9)	(2.4)	(0.5)
Net income attributable to Republic Services, Inc.	\$ 1,290.4	\$ 967.2	\$ 1,073.3
Basic earnings per share attributable to Republic Services, Inc. stockholders:			
Basic earnings per share	\$ 4.05	\$ 3.03	\$ 3.34
Weighted average common shares outstanding	318.8	319.3	321.1
Diluted earnings per share attributable to Republic Services, Inc. stockholders:			
Diluted earnings per share	\$ 4.04	\$ 3.02	\$ 3.33
Weighted average common and common equivalent shares outstanding	319.4	319.8	322.0
Cash dividends per common share	\$ 1.77	\$ 1.66	\$ 1.56

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Years Ended December 31,		
	2021	2020	2019
Net income	\$ 1,292.3	\$ 969.6	\$ 1,073.8
Other comprehensive income (loss), net of tax			
Hedging activity:			
Realized loss reclassified into earnings	4.6	5.8	1.0
Unrealized loss	—	(22.5)	(30.2)
Pension activity:			
Change in funded status of pension plan obligations	(6.8)	2.1	(2.5)
Other comprehensive loss, net of tax	(2.2)	(14.6)	(31.7)
Comprehensive income	1,290.1	955.0	1,042.1
Comprehensive income attributable to non-controlling interests	(1.9)	(2.4)	(0.5)
Comprehensive income attributable to Republic Services, Inc.	\$ 1,288.2	\$ 952.6	\$ 1,041.6

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions)

Republic Services, Inc. Stockholders' Equity

	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss), Net of Tax	Non-controlling Interests In Consolidated Subsidiary	Total
	Shares	Amount			Shares	Amount			
Balance as of December 31, 2018	351.9	\$ 3.5	\$ 4,924.9	\$ 4,750.5	(29.4)	\$ (1,782.6)	\$ 30.8	\$ 2.4	\$ 7,929.5
Adoption of accounting standard, net of tax	—	—	—	(3.1)	—	—	3.1	—	\$ —
Net income	—	—	—	1,073.3	—	—	—	0.5	1,073.8
Change in the value of derivative instruments, net of tax of \$10.4	—	—	—	—	—	—	(29.2)	—	(29.2)
Employee benefit plan liability adjustments, net of tax of \$0.9	—	—	—	—	—	—	(2.5)	—	(2.5)
Cash dividends declared	—	—	—	(499.4)	—	—	—	—	(499.4)
Issuances of common stock	1.4	—	26.9	—	(0.2)	(17.6)	—	—	9.3
Stock-based compensation	—	—	43.0	(4.0)	—	—	—	—	39.0
Purchase of common stock for treasury	—	—	—	—	(4.9)	(399.4)	—	—	(399.4)
Distributions paid	—	—	—	—	—	—	—	(0.2)	(0.2)
Balance as of December 31, 2019	353.3	3.5	4,994.8	5,317.3	(34.5)	(2,199.6)	2.2	2.7	8,120.9
Net income	—	—	—	967.2	—	—	—	2.4	969.6
Change in the value of derivative instruments, net of tax of \$(5.9)	—	—	—	—	—	—	(16.7)	—	(16.7)
Employee benefit plan liability adjustments, net of tax of \$0.8	—	—	—	—	—	—	2.1	—	2.1
Cash dividends declared	—	—	—	(528.8)	—	—	—	—	(528.8)
Issuances of common stock	1.3	—	21.6	—	(0.1)	(17.7)	—	—	3.9
Stock-based compensation	—	—	40.7	(3.9)	—	—	—	—	36.8
Purchase of common stock for treasury	—	—	—	—	(1.2)	(98.8)	—	—	(98.8)
Shares returned to unissued status	(35.8)	(0.3)	(2,315.7)	—	35.8	2,316.0	—	—	—
Distributions paid	—	—	—	—	—	—	—	(0.2)	(0.2)
Balance as of December 31, 2020	318.8	3.2	2,741.4	5,751.8	(0.1)	(0.1)	(12.4)	4.9	8,488.8
Net income	—	—	—	1,290.4	—	—	—	1.9	1,292.3
Change in the value of derivative instruments, net of tax of \$1.6	—	—	—	—	—	—	4.6	—	4.6
Employee benefit plan liability adjustments, net of tax of \$(2.4)	—	—	—	—	—	—	(6.8)	—	(6.8)
Cash dividends declared	—	—	—	(563.0)	—	—	—	—	(563.0)
Issuances of common stock	0.8	—	10.5	—	(0.2)	(22.5)	—	—	(12.0)
Stock-based compensation	—	—	60.3	(3.6)	—	—	—	—	56.7
Purchase of common stock for treasury	—	—	—	—	(2.2)	(252.2)	—	—	(252.2)
Purchase of minority interest	—	—	(22.7)	—	—	—	—	(4.8)	(27.5)
Distributions paid	—	—	—	—	—	—	—	(1.2)	(1.2)
Balance as of December 31, 2021	319.6	3.2	2,789.5	6,475.6	(2.4)	(274.8)	(14.6)	0.8	8,979.7

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

	Years Ended December 31,		
	2021	2020	2019
Cash provided by operating activities:			
Net income	\$ 1,292.3	\$ 969.6	\$ 1,073.8
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation, amortization, depletion and accretion	1,268.2	1,158.8	1,122.4
Non-cash interest expense	70.5	61.7	48.8
Stock-based compensation	57.0	37.3	39.5
Deferred tax (benefit) provision	(15.5)	60.8	166.1
Provision for doubtful accounts, net of adjustments	19.9	27.8	34.0
Loss on extinguishment of debt		101.9	—
Loss (gain) on disposition of assets, asset impairments, and other, net	0.4	75.5	(13.8)
Environmental adjustments	0.5	5.1	(11.9)
Loss from unconsolidated equity method investments	188.5	118.2	112.2
Other non-cash items	(1.1)	(3.8)	(5.6)
Change in assets and liabilities, net of effects from business acquisitions and divestitures:			
Accounts receivable	(135.4)	13.8	(38.3)
Prepaid expenses and other assets	(57.0)	6.5	(109.7)
Accounts payable	113.8	(46.7)	6.4
Capping, closure and post-closure expenditures	(59.6)	(58.6)	(78.2)
Remediation expenditures	(57.1)	(63.5)	(49.1)
Other liabilities	101.3	18.6	55.5
Payments from retirement of certain hedging relationships		(11.4)	
Cash provided by operating activities	<u>2,786.7</u>	<u>2,471.6</u>	<u>2,352.1</u>
Cash used in investing activities:			
Purchases of property and equipment	(1,316.3)	(1,194.6)	(1,207.1)
Proceeds from sales of property and equipment	19.5	30.1	21.7
Cash used in acquisitions and investments, net of cash and restricted cash acquired	(1,221.7)	(769.5)	(575.1)
Cash received from business divestitures	46.3	32.9	42.8
Purchases of restricted marketable securities	(30.8)	(32.9)	(14.7)
Sales of restricted marketable securities	37.9	11.2	13.5
Other	(1.0)	—	(0.1)
Cash used in investing activities	<u>(2,466.1)</u>	<u>(1,922.8)</u>	<u>(1,719.0)</u>
Cash used in financing activities:			
Proceeds from notes payable and long-term debt, net of fees	5,154.3	2,625.5	4,746.5
Proceeds from issuance of senior notes, net of discount and fees	692.3	2,716.1	891.1
Payments of notes payable and long-term debt and senior notes	(5,304.5)	(5,221.4)	(5,327.9)
Premiums paid on extinguishment of debt	—	(99.1)	—
Issuances of common stock, net	(12.0)	3.9	9.3
Purchases of common stock for treasury	(252.2)	(98.8)	(399.4)
Cash dividends paid	(552.6)	(522.5)	(491.2)
Distributions paid to non-controlling interests in consolidated subsidiary	(33.2)	(0.2)	(0.2)
Contingent consideration payments	(21.3)	(15.5)	(17.2)
Cash used in financing activities	<u>(329.2)</u>	<u>(612.0)</u>	<u>(589.0)</u>
(Decrease) increase in cash, cash equivalents, restricted cash and restricted cash equivalents	(8.6)	(63.2)	44.1
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of year	114.2	177.4	133.3
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of year	<u>\$ 105.6</u>	<u>\$ 114.2</u>	<u>\$ 177.4</u>

The accompanying notes are an integral part of these financial statements.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

Republic Services, Inc., a Delaware corporation, and its consolidated subsidiaries (also referred to collectively as Republic, the Company, we, us, or our), is one of the largest providers of environmental services in the United States, as measured by revenue. We manage and evaluate our operations through three operating segments, Group 1, Group 2, and Environmental Solutions.

The consolidated financial statements include the accounts of Republic Services, Inc. and its wholly owned and majority owned subsidiaries in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). We account for investments in entities in which we do not have a controlling financial interest under the equity method of accounting or, for investments that do not meet the criteria to be accounted for under the equity method, we reflect these investments at their fair value when it is readily determinable. If fair value is not readily determinable, we use an alternative measurement approach. All material intercompany accounts and transactions have been eliminated in consolidation.

For comparative purposes, certain prior year amounts have been reclassified to conform to the current year presentation. All dollar amounts in tabular presentations are in millions, except per share amounts and unless otherwise noted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management's Estimates and Assumptions

In preparing our financial statements, we make numerous estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. We must make these estimates and assumptions because certain information we use is dependent on future events, cannot be calculated with a high degree of precision from data available or simply cannot be readily calculated based on generally accepted methodologies. In preparing our financial statements, the more critical and subjective areas that deal with the greatest amount of uncertainty relate to our accounting for our long-lived assets, including recoverability, landfill development costs, and final capping, closure and post-closure costs; our valuation allowances for accounts receivable and deferred tax assets; our liabilities for potential litigation, claims and assessments; our liabilities for environmental remediation, multiemployer pension plans, employee benefit plans, deferred taxes, uncertain tax positions, and insurance reserves; and our estimates of the fair values of assets acquired and liabilities assumed in any acquisition. Each of these items is discussed in more detail elsewhere in these Notes to Consolidated Financial Statements. Our actual results may differ significantly from our estimates.

In March 2020, the World Health Organization declared the outbreak of a new strain of coronavirus (COVID-19) a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. The full extent of the impact of the COVID-19 pandemic on our operations and financial performance will depend on future developments, including the duration, variants and spread of the pandemic, all of which are uncertain and cannot be predicted at this time.

In mid-March 2020, certain customers in our small- and large-container businesses began adjusting their service levels, which included a decrease in the frequency of pickups or a temporary pause in service. In addition, we experienced a decline in volumes disposed at certain of our landfills and transfer stations. As service levels decreased, we also experienced a decrease in certain costs of our operations which are variable in nature. This decline in service activity peaked in the first half of April 2020 and improved sequentially throughout 2021.

In April 2020, we launched our Committed to Serve initiative and committed \$20 million to support frontline employees and their families, as well as small business customers in the local communities we serve. In addition to this initiative, we have experienced an increase in certain costs of doing business as a direct result of the COVID-19 pandemic, including costs for additional safety equipment and hygiene products and increased facility and equipment cleaning. These costs are intended to assist in protecting the safety of our frontline employees as we continue to provide an essential service to our customers. In 2020 and 2021, we recognized our frontline employees for their commitment and contributions to their communities during the pandemic with two awards that were paid in January 2021 and November 2021, respectively. In addition, we incurred incremental costs associated with expanding certain aspects of our existing healthcare programs.

Cash and Cash Equivalents

We consider liquid investments with a maturity at the date of acquisition of three months or less to be cash equivalents.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

We may have net book credit balances in our primary disbursement accounts at the end of a reporting period. We classify such credit balances as accounts payable in our consolidated balance sheets as checks presented for payment to these accounts are not payable by our banks under overdraft arrangements, and, therefore, do not represent short-term borrowings. As of December 31, 2021 and 2020, there were net book credit balances of \$39.0 million and \$32.7 million, respectively, in our primary disbursement accounts that were classified as accounts payable on our consolidated balance sheets.

Concentration of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents, trade accounts receivable and derivative instruments. We place our cash and cash equivalents with high quality financial institutions. Such balances may be in excess of FDIC insured limits. To manage the related credit exposure, we continually monitor the credit worthiness of the financial institutions where we have deposits. Concentrations of credit risk with respect to trade accounts receivable are limited due to the wide variety of customers and markets in which we provide services, as well as the dispersion of our operations across many geographic areas. We provide services to small-container, large-container, municipal and residential, and environmental solutions customers in the United States. We perform ongoing credit evaluations of our customers, but generally do not require collateral to support customer receivables. We establish an allowance for doubtful accounts based on various factors including the credit risk of specific customers, age of receivables outstanding, historical trends, economic conditions and other information.

Accounts Receivable, Net

Accounts receivable represents receivables from customers for environmental services, including collection and processing of recyclable materials, collection, transfer, and disposal of solid waste, and environmental solutions. Our receivables are recorded when billed or when the related revenue is earned and represent claims against third parties that will be settled in cash. The carrying value of our receivables, net of the allowance for doubtful accounts and customer credits, represents their estimated net realizable value.

We establish an allowance for doubtful accounts based on various factors including the age of receivables outstanding, historical trends, economic conditions and other information. We also review outstanding balances on an account-specific basis based on the credit risk of the customer. We determined that all of our accounts receivable share similar risk characteristics. We monitor our credit exposure on an ongoing basis and assess whether assets in the pool continue to display similar risk characteristics. We perform ongoing credit evaluations of our customers, but generally do not require collateral to support customer receivables.

The following table reflects the activity in our allowance for doubtful accounts for the years ended December 31:

	2021	2020	2019
Balance at beginning of year	\$ 34.7	\$ 34.0	\$ 34.3
Additions charged to expense	19.9	27.8	34.0
Accounts written-off	(16.1)	(27.1)	(34.3)
Balance at end of year	<u>\$ 38.5</u>	<u>\$ 34.7</u>	<u>\$ 34.0</u>

Restricted Cash and Marketable Securities

As of December 31, 2021, we had \$139.0 million of restricted cash and marketable securities of which \$84.2 million supports our insurance programs for workers' compensation, commercial general liability, and commercial auto liability. Additionally, we obtain funds through the issuance of tax-exempt bonds for the purpose of financing qualifying expenditures at our landfills, transfer stations, collection and recycling processing centers. The funds are deposited directly into trust accounts by the bonding authorities at the time of issuance. As the use of these funds is contractually restricted, and we do not have the ability to use these funds for general operating purposes, they are classified as restricted cash and marketable securities in our consolidated balance sheets.

In the normal course of business, we may be required to provide financial assurance to governmental agencies and a variety of other entities in connection with, among other things, municipal residential collection contracts, closure or post-closure of landfills, environmental remediation, environmental permits, and business licenses and permits as a financial guarantee of our performance. At several of our landfills, we satisfy financial assurance requirements by depositing cash into restricted trust funds or escrow accounts.

Property and Equipment

We record property and equipment at cost. Expenditures for major additions and improvements to facilities are capitalized, while maintenance and repairs are charged to expense as incurred. When property is retired or otherwise disposed, the related

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the consolidated statements of income.

We revise the estimated useful lives of property and equipment acquired through business acquisitions to conform with our policies. We depreciate assets over their estimated useful lives using the straight-line method. We assume no salvage value for our depreciable property and equipment. The estimated useful lives of our property and equipment are as follows:

Buildings and improvements	7 - 40 years
Vehicles	5 - 20 years
Landfill equipment	5 - 7 years
Other equipment	3 - 25 years
Furniture and fixtures	10 years

Landfill development costs also are included in property and equipment. Landfill development costs include direct costs incurred to obtain landfill permits and direct costs incurred to acquire, construct and develop sites, as well as final capping, closure and post-closure assets. These costs are amortized or depleted based on consumed airspace. All indirect landfill development costs are expensed as incurred. For additional information, see Note 8, *Landfill and Environmental Costs*.

Capitalized Interest

We capitalize interest on all landfill cell construction and other construction or development projects. Interest is capitalized on qualified assets while they undergo activities to ready them for their intended use. Capitalization of interest ceases once an asset is placed into service or if construction activity is suspended for more than a brief period of time. Our interest capitalization rate is based on our weighted average cost of indebtedness. Interest capitalized was \$5.0 million, \$6.2 million and \$7.2 million for the years ended December 31, 2021, 2020, and 2019, respectively.

Fair Value of Financial Instruments

Our financial instruments include cash and cash equivalents, restricted cash and marketable securities, interest rate hedges and other derivatives, long-term debt, contingent consideration arrangements and assets in our defined benefit pension plan. Accounting standards include disclosure requirements around fair values used for certain financial instruments and establish a fair value hierarchy. The hierarchy prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

See Note 12, *Employee Benefit Plans*, and Note 18, *Financial Instruments*, for fair value disclosures related to our defined benefit pension plan investments and financial instruments, respectively.

Investments Other Than Derivatives

Investments other than derivatives primarily include money market funds, common stock, mutual funds, real estate investment trusts, U.S. government and agency securities, municipal and corporate bonds, and foreign government bonds. In general, and where applicable, we use quoted prices in active markets for identical assets or liabilities to determine fair value. This pricing methodology applies to our Level 1 investments, such as money market funds, common stock and certain mutual funds. If quoted prices in active markets for identical assets or liabilities are not available to determine fair value, then we use quoted prices for similar assets and liabilities or inputs other than the quoted prices that are observable either directly or indirectly. These investments are included in Level 2 and consist primarily of corporate bonds, foreign government bonds, real estate investment trusts and certain agency securities.

Derivative Financial Instruments

We use derivative financial instruments to manage our risk associated with changing interest rates by creating offsetting market exposures. We use interest rate swap agreements designated as fair value hedges to manage risk associated with fluctuations in

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interest rates. In prior periods, we entered into multiple agreements designated as cash flow hedges to lock interest rates in anticipation of future debt issuance.

All derivatives are measured at fair value and recognized in the balance sheet as assets or liabilities, as appropriate. For derivative instruments designated as fair value hedges, to the extent they are effective, they are included as an adjustment to long-term debt in our consolidated balance sheets. Changes in fair value of the ineffective portions are recognized currently in earnings. For derivatives designated as cash flow hedges, changes in fair value of the effective portions of derivative instruments are reported in stockholders' equity as components of other comprehensive income until the forecasted transaction occurs or is not probable of occurring. When the forecasted transaction occurs or is not probable of occurring, the realized net gain or loss is then recognized in the consolidated statements of income. Changes in fair value of the ineffective portions are recognized currently in earnings.

The fair values of our derivative instruments are determined using standard valuation models with assumptions about prices and other relevant information based on those observed in the underlying markets (Level 2 in the fair value hierarchy). The estimated fair values of derivatives used to hedge risks fluctuate over time and should be viewed in relation to the underlying hedged transactions.

Landfill and Environmental Costs

Life Cycle Accounting

We use life-cycle accounting and the units-of-consumption method to recognize certain landfill costs over the life of the site. In life cycle accounting, all current and future capitalized costs to acquire and construct a site are calculated, and charged to expense based on the consumption of cubic yards of available airspace.

Costs and airspace estimates are developed at least annually by engineers. We use these estimates to adjust the rates we use to deplete capitalized costs. Changes in these estimates primarily relate to changes in cost estimates, available airspace, inflation and applicable regulations. Changes in available airspace include, but are not limited to, changes due to the addition of airspace attributable to probable expansion areas, airspace consumed and changes in engineering estimates.

Probable Expansion Airspace

We classify landfill disposal capacity as either permitted (having received the final permit from the applicable regulatory agency) or as probable expansion airspace. Before airspace included in an expansion area is determined to be probable expansion airspace and, therefore, is included in our calculation of total available disposal capacity, all of the following criteria must be met:

- We own the land associated with the expansion airspace or control it pursuant to an option agreement;
- We are committed to supporting the expansion project financially and with appropriate resources;
- There are no identified fatal flaws or impediments associated with the project, including political impediments;
- Progress is being made on the project;
- The expansion is attainable within a reasonable time frame; and
- We believe it is likely the expansion permit will be received.

Upon meeting our expansion criteria, the rates used at each applicable landfill to expense costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted to include both the probable expansion airspace and the additional costs to be capitalized or accrued associated with that expansion airspace.

We have identified three steps that landfills generally follow to obtain expansion permits. These steps are as follows:

- Obtaining approval from local authorities;
- Submitting a permit application to state authorities; and
- Obtaining permit approval from state authorities.

We continually monitor our progress toward obtaining permits for each of our sites with probable airspace. If we determine that a landfill expansion area no longer meets our criteria, the probable expansion airspace is removed from the landfill's total available capacity and the rates used at the landfill to deplete costs to acquire, construct, cap, close and maintain a site during the post-closure period are adjusted accordingly. In addition, any amounts capitalized for the probable expansion airspace are charged to expense in the period in which it is determined that the criteria are no longer met.

Capitalized Landfill Costs

Capitalized landfill costs include expenditures for land, permitting, cell construction and environmental structures. Capitalized permitting and cell construction costs are limited to direct costs relating to these activities, including legal, engineering and construction costs associated with excavation, natural and synthetic liners, construction of leachate collection systems, installation of methane gas collection and monitoring systems, installation of groundwater monitoring wells and other costs associated with the development of the site. Interest is capitalized on landfill construction projects while the assets are undergoing activities to ready them for their intended use. Capitalized landfill costs also include final capping, closure and post-closure assets and are depleted as airspace is consumed using the units-of-consumption method.

Costs related to acquiring land, excluding the estimated residual value of unpermitted, non-buffer land, and costs related to permitting and cell construction are depleted as airspace is consumed using the units-of-consumption method.

Capitalized landfill costs also may include an allocation of purchase price paid for landfills. For landfills purchased as part of a group of assets, the purchase price assigned to the landfill is determined based on the estimated fair value of the landfill. If the landfill meets our expansion criteria, the purchase price is further allocated between permitted airspace and expansion airspace based on the respective ratios to total available airspace. Landfill purchase price is amortized using the units-of-consumption method over the total available airspace, including probable expansion airspace, where appropriate.

Final Capping, Closure and Post-Closure Costs*Final capping*

We have future obligations for final capping, closure and post-closure costs with respect to the landfills we own or operate as set forth in applicable landfill permits. The permit requirements are based on the Subtitle C and Subtitle D regulations of the Resource Conservation and Recovery Act, as implemented and applied on a state-by-state basis. We define final capping as activities required to permanently cover a portion of a landfill that has been completely filled with waste. Final capping typically includes installing flexible membrane and geosynthetic clay liners, drainage and compact soil layers, and topsoil, and is constructed over an area of the landfill where total airspace capacity has been consumed and waste disposal operations have ceased. These final capping activities occur in phases as needed throughout the operating life of a landfill as specific areas are filled to capacity and the final elevation for that specific area is reached in accordance with the provisions of the operating permit. We consider final capping events to be discrete activities that are recognized as asset retirement obligations separately from other closure and post-closure obligations. As a result, we use a separate rate per ton for recognizing the principal amount of the liability and related asset associated with each capping event. We amortize the asset recorded pursuant to this approach as waste volume related to the capacity covered by the capping event is placed into the landfill based on the consumption of cubic yards of available airspace.

Closure and post-closure

Closure and post-closure activities occur after the entire landfill ceases to accept waste and closes. These activities involve methane gas control, leachate management and groundwater monitoring, surface water monitoring and control, and other operational and maintenance activities that occur after the site ceases to accept waste. Obligations associated with monitoring and controlling methane gas migration and emissions are set forth in applicable landfill permits and these requirements are based on the provisions of the Clean Air Act. The post-closure period generally runs for 30 years after final site closure for municipal solid waste landfills and a shorter period for construction and demolition landfills and inert landfills. We recognize asset retirement obligations and the related amortization expense for closure and post-closure (excluding obligations for final capping) using the units-of-consumption method over the total remaining capacity of the landfill, including probable expansion airspace, where appropriate.

Estimated future expenditures

Estimates of future expenditures for final capping, closure and post-closure are developed at least annually by engineers. Management reviews these estimates and our operating and accounting personnel use them to adjust the rates used to capitalize and amortize these costs. These estimates involve projections of costs that will be incurred during the remaining life of the landfill for final capping activities, after the landfill ceases operations and during the legally required post-closure monitoring period. As of December 31, 2021, we had 124 closed landfills.

Fair value measurements

In general, we engage third parties to perform most of our final capping, closure and post-closure activities. Accordingly, the fair value of these activities is based on quoted and actual prices paid for similar work. We also perform some of our final capping, closure and post-closure activities using internal resources. Where we expect internal resources to be used to fulfill an

asset retirement obligation, we add a profit margin to the estimated cost of such services to better reflect their fair value. If we perform these services internally, the added profit margin is recognized as a component of operating income in the period the obligation is settled.

Our estimates of costs to discharge asset retirement obligations for landfills are developed in today's dollars. These costs are inflated each year to reflect a normal escalation of prices up to the year they are expected to be paid. We used a 1.7% inflation rate for the years ended December 31, 2021, 2020, and 2019, which is based on the ten-year historical moving average increase of the U.S. Consumer Price Index, and is the rate used by the largest environmental services industry participants. These estimated costs are then discounted to their present values using a credit-adjusted, risk-free interest rate.

Changes in assets retirement obligations

A liability for an asset retirement obligation is recognized in the period in which it is incurred and is initially measured at fair value. The offset to the liability is capitalized as part of the carrying amount of the related long-lived asset. Changes in the liabilities due to revisions to estimated future cash flows are recognized by increasing or decreasing the liabilities with the offsets adjusting the carrying amounts of the related long-lived assets, and may also require immediate adjustments to amortization expense in the consolidated statements of income. Upward revisions in the amount of undiscounted estimated cash flows used to record a liability are discounted using the credit-adjusted, risk-free interest rate in effect at the time of the change. Downward revisions in the amount of undiscounted estimated cash flows used to record a liability are discounted using the credit-adjusted, risk-free rate that existed when the original liability was recognized.

Changes in asset retirement obligations due to the passage of time are measured by recognizing accretion expense in a manner that results in a constant effective interest rate being applied to the average carrying amount of the liability. The effective interest rate used to calculate accretion expense is our credit-adjusted, risk-free interest rate in effect at the time the liabilities were recorded.

We review our calculations with respect to landfill asset retirement obligations at least annually. If there is a significant change in the facts and circumstances related to a landfill during the year, we will review our calculations for the landfill as soon as practical after the change has occurred.

Landfill operating expenses

Costs associated with daily maintenance activities and environmental compliance during the operating life of the landfill are expensed as incurred. These costs include, among other things, leachate treatment and disposal, methane gas and groundwater monitoring and systems maintenance, interim cap maintenance, costs associated with the application of daily cover materials, and the legal and administrative costs of ongoing environmental compliance.

Environmental Liabilities

We are subject to an array of laws and regulations relating to the protection of the environment, and we remediate sites in the ordinary course of our business. Under current laws and regulations, we may be responsible for environmental remediation at sites that we either own or operate, including sites that we have acquired, or sites where we have (or a company that we have acquired has) delivered waste. Our environmental remediation liabilities primarily include costs associated with remediating groundwater, surface water and soil contamination, as well as controlling and containing methane gas migration and the related legal costs. To estimate our ultimate liability at these sites, we evaluate several factors, including the nature and extent of contamination at each identified site, the required remediation methods, timing of expenditures, the apportionment of responsibility among the potentially responsible parties and the financial viability of those parties. We accrue for costs associated with environmental remediation obligations when such costs are probable and reasonably estimable in accordance with accounting for loss contingencies. We periodically review the status of all environmental matters and update our estimates of the likelihood of and future expenditures for remediation as necessary. Changes in the liabilities resulting from these reviews are recognized currently in earnings in the period in which the adjustment is known. Adjustments to estimates are reasonably possible in the near term and may result in changes to recorded amounts. With the exception of those obligations assumed in certain business combinations, environmental obligations are recorded on an undiscounted basis. Adjustments arising from changes in amounts and timing of estimated costs and settlements may result in increases or decreases in these obligations and are calculated on a discounted basis as they were initially estimated on a discounted basis. These adjustments are charged to operating income when they are known. We perform a comprehensive review of our environmental obligations annually and also review changes in facts and circumstances associated with these obligations at least quarterly. We have not reduced the liabilities we have recorded for recoveries from other potentially responsible parties or insurance companies.

Business Combinations

We acquire businesses in the environmental services industry as part of our growth strategy. Businesses are included in the consolidated financial statements from the date of acquisition.

We recognize, separately from goodwill, the identifiable assets acquired and liabilities assumed at their estimated acquisition-date fair values. We measure and recognize goodwill as of the acquisition date as the excess of: (1) the aggregate of the fair value of consideration transferred, the fair value of any non-controlling interest in the acquiree (if any) and the acquisition date fair value of our previously held equity interest in the acquiree (if any), over (2) the fair value of assets acquired and liabilities assumed. If information about facts and circumstances existing as of the acquisition date is incomplete by the end of the reporting period in which a business combination occurs, we report provisional amounts for the items for which the accounting is incomplete. The measurement or allocation period ends once we receive the information we are seeking; however, this period will generally not exceed one year from the acquisition date. Any material adjustments recognized during the measurement period will be reflected retrospectively in the consolidated financial statements of the subsequent period. We recognize third-party transaction related costs as expense currently in the period in which they are incurred.

Goodwill and Other Intangible Assets

We evaluate goodwill for impairment annually as of October 1st, or when an indicator of impairment exists, at the reporting unit level. Our reporting units are our three field groups: Group 1, Group 2, and Environmental Solutions.

We may use both qualitative and quantitative approaches when testing goodwill for impairment. If, after assessing qualitative factors, we determine it is more likely than not that a reporting unit's goodwill is impaired, then we perform a quantitative test for that reporting unit. The quantitative impairment test for goodwill encompasses calculating a fair value of goodwill and comparing the fair value to its carrying value. If the carrying value exceeds the fair value, impairment is recognized for the difference.

As of October 1, 2021, we utilized a qualitative approach and performed an evaluation of circumstances and events impacting our reporting units to determine the likelihood of goodwill impairment. Examples of such events or circumstances include: (1) a significant adverse change in legal factors or in the business climate; (2) an adverse action or assessment by a regulator; (3) a more likely than not expectation that a reporting unit or a significant portion thereof will be sold; (4) continued or sustained losses at a reporting unit; (5) a significant decline in our market capitalization as compared to our book value; or (6) we conclude that we may not recover a significant asset group within the reporting unit. We determined it was more likely than not that the fair values of our reporting units exceeded their carrying amounts. No impairment losses were recorded for goodwill during the year ended December 31, 2021.

As of October 1, 2020, we tested our Group 1 and Group 2 reporting units quantitatively and determined that the indicated fair value of our Group 1 and Group 2 reporting units exceeded their carrying value by approximately 150% on average and, therefore, we noted no indicators of impairment at our reporting units. There was no goodwill assigned to the Environmental Solutions reporting unit in 2020.

Significant estimates used in our 2020 fair value calculation using discounted future cash flows included: (1) estimates of future revenue and expense growth by reporting unit, which we estimated to be approximately 3% annually; (2) future estimated effective tax rates, which we estimated to be 27%; (3) future estimated capital expenditures and future required investments in working capital; (4) estimated discount rates, which we estimated to range between 6% and 8%; and (5) the future terminal value of the reporting unit, which was based on its ability to exist into perpetuity. Significant estimates used in the fair value calculation utilizing market value multiples included: (a) estimated future growth potential of the reporting unit; (b) estimated multiples of revenue or earnings a willing buyer is likely to pay; and (c) the estimated control premium a willing buyer is likely to pay.

Other intangible assets include values assigned to customer relationships, non-compete agreements and trade names and are amortized generally on a straight-line basis over periods ranging from 1 to 15 years.

Asset Impairments

We continually consider whether events or changes in circumstances have occurred that may warrant revision of the estimated useful lives of our long-lived assets (other than goodwill) or whether the remaining balances of those assets should be evaluated for possible impairment. Long-lived assets include, for example, capitalized landfill costs, other property and equipment, and identifiable intangible assets.

Events or changes in circumstances that may indicate that an asset may be impaired include the following:

- A significant decrease in the market price of an asset or asset group;
- A significant adverse change in the extent or manner in which an asset or asset group is being used or in its physical condition;
- A significant adverse change in legal factors or in the business climate that could affect the value of an asset or asset group, including an adverse action or assessment by a regulator;

- An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset;
- A current period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group;
- A current expectation that, more likely than not, a long-lived asset or asset group will be sold or otherwise disposed of significantly before the end of its previously estimated useful life; or
- An impairment of goodwill at a reporting unit.

There are certain indicators listed above that require judgment and understanding of the environmental services industry when applied to landfill development or expansion. For example, a regulator may initially deny a landfill expansion permit application though the expansion permit is ultimately granted. In addition, management may periodically divert waste from one landfill to another to conserve remaining permitted landfill airspace. Therefore, certain events could occur in the ordinary course of business and not necessarily be considered indicators of impairment due to the unique nature of the environmental services industry.

If indicators of impairment exist, the asset or asset group is reviewed to determine whether its recoverability is impaired. We assess the recoverability of the asset or asset group by comparing its carrying value to an estimate (or estimates) of its undiscounted future cash flows over its remaining life. If the estimated undiscounted cash flows are not sufficient to recover the carrying value of the asset or asset group, we measure an impairment loss as the amount by which the carrying amount of the asset exceeds its fair value. The loss is recorded in the consolidated statements of income in the period in which such impairment is identified. Estimating future cash flows requires significant judgment, and our projections of future cash flows and remaining useful lives may vary materially from actual results.

In 2020, we recognized a \$42.6 million charge as a loss on business divestitures and impairments, net in our consolidated income statement resulting from management's decision to exit certain product offerings and geographic basins in our upstream environmental solutions business. As the carrying value of the assets associated with these operations was no longer recoverable, we impaired the entire net book value of certain assets, comprised mainly of equipment, vehicles, and containers. On at least a quarterly basis, we will continue to monitor the effect of the evolving COVID-19 pandemic on our business and review our estimates for recoverability of assets.

Insurance Reserves

Our insurance programs for workers' compensation, commercial general and auto liability, environmental and remediation liability, and employee-related health care benefits are subject to high deductible insurance policies. Accruals for insurance reserves are based on claims filed and estimates of claims incurred but not reported. We consider our past claims experience, including both frequency and settlement amount of claims, in determining these estimates. It is possible that recorded reserves may not be adequate to fund the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in the consolidated statements of income in the periods in which such adjustments are known. In general, our insurance reserves are recorded on an undiscounted basis; however, the insurance liabilities we assumed in business combinations are recorded at estimated fair value, and therefore have been discounted to present value based on our estimate of the timing of the related cash flows.

Costs Associated with Exit Activities

We record costs associated with exit activities such as employee termination benefits that represent a one-time benefit when management approves and commits to a plan of termination, and communicates the termination arrangement to the employees, or over the future service period, if any. Other costs associated with exit activities may include contract termination costs, including facility and employee relocation costs.

Contingent Liabilities

We are subject to various legal proceedings, claims and regulatory matters, the outcomes of which are subject to significant uncertainty. In general, we determine whether to disclose or accrue for loss contingencies based on an assessment of whether the risk of loss is remote, reasonably possible or probable, and whether it can be reasonably estimated. We assess our potential liability relating to litigation and regulatory matters based on information available to us. Management develops its assessment based on an analysis of possible outcomes under various strategies. We accrue for loss contingencies when such amounts are probable and reasonably estimable. If a contingent liability is only reasonably possible, we disclose the potential range of the loss, if estimable. Contingent liabilities recorded in purchase accounting are recorded at their fair values. These fair values may be different from the values we would have otherwise recorded, had the contingent liability not been assumed as part of an acquisition of a business.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income is a component of stockholders' equity and includes the effective portion of the net changes in fair value of our cash flow hedges, amortization of our interest rate locks, and certain adjustments to liabilities associated with our employee defined benefit pension plan liabilities, net of tax.

Revenue Recognition

We generally provide services under contracts with municipalities or individual customers. Municipal and small-container contracts are generally long-term and often have renewal options. Advance billings are recorded as deferred revenue, and revenue is recognized over the period services are provided.

We recognize revenue when control is transferred to the customer, generally at the time we provide a service. Revenue is measured as the amount of consideration we expect to receive in exchange for providing a service. We make certain payments to our customers, including payments to our municipal customers or commodity rebates to customers in our recycling business, which reduce the amount of revenue we recognize.

Income Taxes

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we record deferred income taxes to reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases using enacted tax rates that we expect to be in effect when the taxes are actually paid or recovered. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making these determinations, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, tax planning strategies, projected future taxable income and recent financial operating results. The weight given to the positive and negative evidence is commensurate with the extent such evidence can be objectively verified. If we determine that we would be able to realize a deferred income tax asset in the future in excess of its net recorded amount, we would make an adjustment to the valuation allowance, which would reduce the provision for income taxes.

We record uncertain tax positions in accordance with ASC 740. A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more-likely-than-not recognition threshold at the effective date to be recognized.

We recognize interest and penalties related to uncertain tax positions in the provision for income taxes in the accompanying consolidated statements of income. Accrued interest and penalties are included in other accrued liabilities, deferred income taxes and other long-term tax liabilities in the consolidated balance sheets.

We use the flow-through method to account for investment tax credits earned on eligible development expenditures. Under this method, the investment tax credits are recognized as a reduction to income tax expense in the year they are earned.

Defined Benefit Pension Plan

We currently have one qualified defined benefit pension plan, the BFI Retirement Plan (the Plan). The Plan covers certain current and former employees of Allied in the United States, including some employees subject to collective bargaining agreements. The Plan's benefit formula is based on a percentage of compensation as defined in the Plan document. However, the benefits of all current Plan participants are frozen.

Our pension contributions are made in accordance with funding standards established by the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code, as amended by the Pension Protection Act of 2006. The Plan's assets have been invested as determined by our Employee Benefits Committee. The Employee Benefits Committee reviews and adjusts the Plan's asset allocation as deemed necessary.

The benefit obligation and associated income or expense related to the Plan are determined using annually established assumptions for discount rates, expected rates of return and mortality rates. We determine the discount rate based on a model that matches the timing and amount of expected benefit payments to maturities of high quality bonds priced as of the pension plan measurement date. When that timing does not correspond to a published high-quality bond rate, our model uses an expected yield curve to determine an appropriate current discount rate. The yields on the bonds are used to derive a discount rate for the liability. In developing our expected rate of return assumption, we evaluate long-term expected and historical actual returns on the Plan assets, giving consideration to the asset mix and the anticipated duration of our Plan obligations. The

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average rate of compensation increase reflects our expectations of average pay increases over the period benefits are earned. Our assumptions are reviewed annually and adjusted as deemed necessary.

Equity-Based Compensation Plans

Compensation expense associated with our restricted share units is recognized ratably over the vesting period, or to the employee's retirement eligible date, if earlier. The fair value of restricted share units is based on the closing market price on the date of the grant.

Compensation expense associated with our performance shares that vest based on future performance targets is measured using the fair value of our common stock at the grant date for the stock-settled, equity classified awards, and the fair value of our common stock at the end of each reporting period for the cash-settled, liability classified awards. Compensation expense is recognized ratably over the performance period based on our estimated achievement of the established performance criteria. Compensation expense is only recognized for those awards that we expect to vest, which we estimate based on an assessment of the probability that the performance criteria will be achieved.

Income tax related cash flows resulting from equity-based payments are reported as a component of operating activities.

Share Repurchases

Share repurchases under our share repurchase authorization may be made through open market purchases or privately negotiated transactions at the current market prices. From time-to-time, we return treasury shares acquired through share repurchases to the status of authorized but unissued. Our accounting policy is to deduct the par value from common stock and to reflect any excess of cost over par value as a deduction from additional paid-in capital.

Leases

We lease property and equipment in the ordinary course of business under various lease agreements. The most significant lease obligations are for real property and equipment specific to our industry, including property operated as a landfill or transfer station and operating equipment. Our leases have varying terms. Some may include renewal or purchase options, escalation clauses, restrictions, penalties or other obligations that we consider in determining minimum lease payments. Our lease terms include options to renew the lease when it is reasonably certain that we will exercise the option.

Certain leases require payments that are variable in nature based on volume measurements, e.g. a fixed rate per ton at our landfills. In addition, certain rental payments are adjusted annually based on changes in an underlying base index such as a consumer price index. Variable lease payments are recognized in our consolidated statements of income in the period incurred. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. We generally account for lease components separately from non-lease components.

Leases are classified as either operating leases or finance leases, as appropriate. Leases with an initial term of 12 months or less are not recorded on our consolidated balance sheet.

Operating Leases

Many of our leases are operating leases. Operating lease classification generally can be attributed to either (1) relatively low fixed minimum lease payments (including, for example, real property lease payments that are not fixed and vary based on the volume of material we receive or process), or (2) minimum lease terms that are shorter than the asset's economic useful life. We expect that, in the ordinary course of business, our operating leases will be renewed, replaced by other leases, or replaced with capital expenditures. We recognize rent expense for these leases on a straight-line basis over the lease term.

We recognize a right-of-use liability and right-of-use asset for leases classified as operating leases in our consolidated balance sheet upon lease commencement. The right-of-use liability represents the present value of the remaining lease payments. An implicit rate is often not readily available for these leases. As such, we use our incremental borrowing rate at the commencement date to determine the present value of the lease payments. Our incremental borrowing rate represents the rate of interest that we would have to pay to borrow on a collateralized basis over a similar term in a similar economic environment. In addition, we recognize a corresponding right-of-use asset, which represents our right to use an underlying asset for the lease term. The right-of-use asset is adjusted for certain favorable or unfavorable leases recognized through acquisition, prepaid or accrued rent, asset impairments and lease incentives, including but not limited to cash incentives, rent abatement or leasehold improvements paid by the lessor.

Finance Leases

We capitalize assets acquired under finance leases at lease commencement and amortize them to depreciation expense over the lesser of the useful life of the asset or the lease term on either a straight-line or a units-of-consumption basis, depending on the asset leased. We record the present value of the related lease payments as a debt obligation. Our finance lease liabilities relate

primarily to real property, including certain long-term landfill operating agreements that require minimum lease payments with offsetting finance lease assets recorded as part of the landfill development costs.

Related Party Transactions

It is our policy that transactions with related parties must be on terms that, on the whole, are no less favorable than those that would be available from unaffiliated parties.

New Accounting Pronouncements

Accounting Standards Adopted

Effective January 1, 2021, we adopted the following accounting standard updates (ASUs) as issued by the Financial Accounting Standards Board (FASB):

ASU		Effective Date
ASU 2018-14	Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans	January 1, 2021
ASU 2019-12	Simplifying the Accounting for Income Taxes	January 1, 2021

Changes to the Disclosure Requirements for Defined Benefit Plans

Effective January 1, 2021, we adopted ASU 2018-14, *Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20) Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans* (ASU 2018-14) on a retrospective basis. The standard removes disclosures that are no longer considered cost beneficial, clarifies the specific requirements of disclosures, and adds disclosure requirements identified as relevant. Our adoption of ASU 2018-14 did not have a material impact on our consolidated financial statements.

Simplifying the Accounting for Income Taxes

Effective January 1, 2021, we adopted ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* (ASU 2019-12). ASU 2019-12 attempts to simplify aspects of accounting for franchise taxes and enacted changes in tax laws or rates, and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. Our adoption of ASU 2019-12 did not have a material impact on our consolidated financial statements.

Accounting Standards Issued but not yet Adopted as of December 31, 2021

Business Combinations

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers* (ASU 2021-08). ASU 2021-08 improves the accounting for acquired revenue contracts with customers in a business combination by addressing diversity in practice and inconsistency related to the recognition of an acquired contract liability and the payment terms and their effect on subsequent revenue recognized by the acquirer. ASU 2021-08 is effective for all entities that enter into a business combination within the applicable scope. The amendments in this update are effective for fiscal years beginning after December 15, 2022. We are currently assessing the effect this guidance may have on our consolidated financial statements.

Reference Rate Reform

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (ASU 2020-04). ASU 2020-04 provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. The amendments in ASU 2020-04 provide optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. ASU 2020-04 is effective for all entities upon adoption during the period from March 12, 2020 through December 31, 2022. We are currently assessing the effect this guidance may have on our consolidated financial statements.

3. BUSINESS ACQUISITIONS, INVESTMENTS AND RESTRUCTURING CHARGES

We acquired various environmental services businesses during the years ended December 31, 2021 and 2020. The purchase price paid for these business acquisitions and the allocations of the purchase price follows:

	2021	2020
Purchase price:		
Cash used in acquisitions, net of cash acquired of \$14.7 and \$0.1, respectively	\$ 1,052.9	\$ 598.9
Holdbacks	10.3	14.1
Fair value, future minimum lease payments	40.2	0.3
Total	\$ 1,103.4	\$ 613.3
Allocated as follows:		
Restricted cash	\$ 7.2	\$ 0.1
Accounts receivable	63.9	14.9
Landfill airspace	66.0	—
Property and equipment	143.5	124.3
Operating right-of-use lease assets	10.2	0.2
Assets held for sale	43.6	—
Other assets	6.6	1.1
Inventory	1.9	1.5
Accounts payable	(30.1)	(3.8)
Environmental remediation liabilities	(31.6)	(1.7)
Closure and post-closure liabilities	(31.8)	(0.8)
Operating right-of-use lease liabilities	(10.2)	(0.2)
Other liabilities	(34.2)	(13.4)
Fair value of tangible assets acquired and liabilities assumed	205.0	122.2
Excess purchase price to be allocated	\$ 898.4	\$ 491.1
Excess purchase price to be allocated as follows:		
Other intangible assets	\$ 98.2	\$ 60.7
Goodwill	801.8	430.4
Gain on bargain purchase	(1.5)	—
Total allocated	\$ 898.4	\$ 491.1

The purchase price allocations are preliminary and are based on information existing at the acquisition dates. Accordingly, the purchase price allocations are subject to change. Substantially all of the goodwill and intangible assets recorded for acquisitions in 2021 and 2020 was deductible for tax purposes.

These acquisitions are not material to the Company's results of operations, individually or in the aggregate. As a result, no pro forma financial information is provided.

In May 2021, we acquired all of the membership interests of Santek Waste Services, LLC (Santek). Santek's vertically integrated recycling and waste services operations are primarily located in the southeastern United States and complement Republic's existing core competencies and expertise in the environmental services industry. The purchase price allocation is preliminary and remains subject to revision as additional information is obtained about the facts and circumstances that existed at the valuation date. The preliminary allocation of purchase price, including the value assigned to certain tangible and intangible assets acquired as well as certain leases and environmental liabilities assumed, is based on the best estimates of management and is subject to revision based on the final valuations. We expect our valuations to be completed in 2022.

In August 2021, we acquired all of the issued and outstanding shares of ACV Enviro Corporation (ACV). ACV's environmental solutions operations are primarily located in the northeastern United States and provide us with a platform to pursue additional growth in our environmental solutions line of business. The purchase price allocation is preliminary and remains subject to revisions as additional information is obtained about the facts and circumstances that existed at the valuation date. The preliminary allocation of purchase price, including the value of certain tangible and intangible assets acquired, is based on the best estimates of management and is subject to revision based on the final valuations. We expect our valuations to be completed in 2022.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

On February 8, 2022, we entered into a definitive agreement to acquire all outstanding shares of US Ecology, Inc. (US Ecology) in a transaction valued at approximately \$2.2 billion including debt. US Ecology is a leading provider of environmental solutions offering treatment, recycling and disposal of hazardous, non-hazardous and specialty waste. We intend to finance the transaction using existing and new sources of debt.

Investments

In 2021 and 2020, we acquired non-controlling equity interests in certain limited liability companies that qualified for investment tax credits under Section 48 of the Internal Revenue Code. In exchange for our non-controlling interests, we made capital contributions of approximately \$175 million and \$143 million, which were recorded to other long-term assets in our December 31, 2021 and 2020 consolidated balance sheets, respectively. During 2021 and 2020, we reduced the carrying value of these investments by \$178.0 million and \$118.2 million, respectively, as a result of tax credits allocated to us, cash distributions, and our share of income and loss pursuant to the terms of the limited liability company agreements. Additionally, our 2021 and 2020 tax provisions reflect a benefit of approximately \$126 million and \$100 million, respectively, due to the tax credits related to these investments. For further discussion of the income tax benefits, see Note 11, *Income Taxes*.

In 2021, we purchased the remaining equity interest in a previously held non-controlling interest for \$32.0 million.

Restructuring Charges

In 2020, we incurred costs related to the redesign of certain back-office software systems, which continued into 2021. In addition, in July 2020, we eliminated certain back-office support positions in response to a decline in the underlying demand for services resulting from the COVID-19 pandemic. During 2021 and 2020, we incurred restructuring charges of \$16.6 million and \$20.0 million, respectively. We paid \$17.2 million and \$15.5 million during 2021 and 2020, respectively, related to these restructuring efforts.

In 2022, we expect to incur additional restructuring charges of approximately \$20 million primarily related to the redesign of certain of our back-office software systems. Substantially all of these restructuring charges will be recorded in our corporate entities and other segment.

4. PROPERTY AND EQUIPMENT, NET

A summary of property and equipment, net as of December 31 follows:

	2021	2020
Land	\$ 694.9	\$ 633.4
Landfill development costs	8,539.6	7,991.7
Vehicles and equipment	8,576.9	8,119.0
Buildings and improvements	1,508.4	1,402.5
Construction-in-progress – landfill	279.3	303.8
Construction-in-progress – other	182.9	107.4
	<u>\$ 19,782.0</u>	<u>\$ 18,557.8</u>
Less: accumulated depreciation, depletion and amortization		
Landfill development costs	\$ (4,625.6)	\$ (4,249.5)
Vehicles and equipment	(5,231.6)	(4,953.4)
Buildings and improvements	(692.7)	(628.7)
	<u>(10,549.9)</u>	<u>(9,831.6)</u>
Property and equipment, net	<u>\$ 9,232.1</u>	<u>\$ 8,726.2</u>

Depreciation, amortization and depletion of property and equipment was \$1,111.7 million, \$1,015.9 million and \$985.8 million for the years ended December 31, 2021, 2020 and 2019, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

5. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

Goodwill

A summary of the activity and balances in goodwill accounts by reporting segment follows:

	Balance as of December 31, 2020	Acquisitions	Divestitures	Adjustments to Acquisitions	Balance as of December 31, 2021
Group 1	\$ 6,404.9	\$ 162.6	\$ —	\$ (17.8)	\$ 6,549.7
Group 2	5,641.5	357.1	—	(4.4)	5,994.2
Corporate entities and other	—	282.1	—	—	282.1
Total	\$ 12,046.4	\$ 801.8	\$ —	\$ (22.2)	\$ 12,826.0

	Balance as of December 31, 2019	Acquisitions	Divestitures	Adjustments to Acquisitions	Balance as of December 31, 2020
Group 1	\$ 6,235.6	\$ 171.7	\$ —	\$ (2.4)	\$ 6,404.9
Group 2	5,397.8	258.7	(19.0)	4.0	5,641.5
Corporate entities and other	—	—	—	—	—
Total	\$ 11,633.4	\$ 430.4	\$ (19.0)	\$ 1.6	\$ 12,046.4

Adjustments to acquisitions during the year ended December 31, 2021 primarily related to changes in our valuation of customer relationship intangible assets and fixed assets as a result of obtaining new information regarding certain acquisitions that closed in December 2020. Adjustments to acquisitions during the year ended December 31, 2020 primarily related to working capital and fixed assets.

Goodwill by reporting segment as of December 31, 2019 reflects the transfer of all Environmental Solutions assets from Group 2 to Corporate entities and other.

Other Intangible Assets, Net

Other intangible assets, net, include values assigned to customer relationships, non-compete agreements and trade names, and are amortized over periods ranging from 1 to 15 years. A summary of the activity and balances by intangible asset type follows:

	Gross Intangible Assets			Accumulated Amortization				Other Intangible Assets, Net as of December 31, 2021	
	Balance as of December 31, 2020	Acquisitions	Adjustments and Other	Balance as of December 31, 2021	Balance as of December 31, 2020	Additions Charged to Expense	Adjustments and Other		Balance as of December 31, 2021
Customer relationships	\$ 788.1	\$ 92.3	\$ 18.0	\$ 898.4	\$ (639.5)	\$ (27.3)	\$ —	\$ (666.8)	\$ 231.6
Non-compete agreements	51.4	9.2	(0.2)	60.4	(39.1)	(5.5)	—	(44.6)	15.8
Other intangible assets	57.5	0.5	—	58.0	(45.3)	(0.6)	—	(45.9)	12.1
Total	\$ 897.0	\$ 102.0	\$ 17.8	\$ 1,016.8	\$ (723.9)	\$ (33.4)	\$ —	\$ (757.3)	\$ 259.5

	Gross Intangible Assets			Accumulated Amortization				Other Intangible Assets, Net as of December 31, 2020	
	Balance as of December 31, 2019	Acquisitions	Adjustments and Other	Balance as of December 31, 2020	Balance as of December 31, 2019	Additions Charged to Expense	Adjustments and Other		Balance as of December 31, 2020
Customer relationships	\$ 733.8	\$ 54.4	\$ (0.1)	\$ 788.1	\$ (623.0)	\$ (16.6)	\$ 0.1	\$ (639.5)	\$ 148.6
Non-compete agreements	45.3	6.3	(0.2)	51.4	(35.3)	(3.9)	0.1	(39.1)	12.3
Other intangible assets	58.2	—	(0.7)	57.5	(45.1)	(0.6)	0.4	(45.3)	12.2
Total	\$ 837.3	\$ 60.7	\$ (1.0)	\$ 897.0	\$ (703.4)	\$ (21.1)	\$ 0.6	\$ (723.9)	\$ 173.1

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Based on the amortizable intangible assets recorded in the consolidated balance sheet as of December 31, 2021, amortization expense for each of the next five years is estimated as follows:

2022	\$	40.0
2023	\$	38.6
2024	\$	36.2
2025	\$	32.9
2026	\$	29.7

6. OTHER ASSETS

Prepaid Expenses and Other Current Assets

A summary of prepaid expenses and other current assets as of December 31 follows:

	2021	2020
Income tax receivable	\$ 173.8	\$ 170.7
Prepaid expenses	85.3	77.7
Inventories	72.2	59.1
Other non-trade receivables	32.2	32.2
Reinsurance receivable	31.0	34.1
Prepaid fees for cloud-based hosting arrangements, current	12.9	11.8
Other current assets	3.0	6.7
Total	<u>\$ 410.4</u>	<u>\$ 392.3</u>

Other Assets

A summary of other assets as of December 31 follows:

	2021	2020
Operating right-of-use lease assets	\$ 255.3	\$ 218.8
Deferred compensation plan	133.5	131.8
Investments	127.6	145.4
Deferred contract costs and sales commissions	80.6	82.3
Reinsurance receivable	79.5	84.8
Prepaid fees and capitalized implementation costs for cloud-based hosting arrangements	43.4	29.5
Amounts recoverable for capping, closure and post-closure obligations	19.4	18.5
Other derivative assets	15.0	63.8
Interest rate swaps	4.7	10.0
Deferred financing costs	4.6	2.7
Other	24.0	29.8
Total	<u>\$ 787.6</u>	<u>\$ 817.4</u>

7. OTHER LIABILITIES**Other Accrued Liabilities**

A summary of other accrued liabilities as of December 31 follows:

	2021	2020
Accrued payroll and benefits	\$ 295.0	\$ 221.1
Insurance reserves, current portion	193.5	167.5
Accrued dividends	145.9	135.5
Accrued fees and taxes	143.7	132.3
Operating right-of-use lease liabilities, current portion	38.2	33.5
Ceded insurance reserves, current portion	31.0	34.1
Accrued professional fees and legal settlement reserves	8.4	7.2
Other	73.8	89.0
Total	<u>\$ 929.5</u>	<u>\$ 820.2</u>

Other Long-Term Liabilities

A summary of other long-term liabilities as of December 31 follows:

	2021	2020
Operating right-of-use lease liabilities	\$ 239.0	\$ 206.6
Deferred compensation plan liability	119.4	126.6
Ceded insurance reserves	79.5	84.8
Contingent purchase price and acquisition holdbacks	64.4	67.3
Other derivative liabilities	50.7	103.0
Withdrawal liability - multiemployer pension funds	24.5	22.3
Legal settlement reserves	3.1	20.2
Pension and other post-retirement liabilities	1.2	5.5
Other	60.6	45.5
Total	<u>\$ 642.4</u>	<u>\$ 681.8</u>

Insurance Reserves

Our liabilities for unpaid and incurred but not reported claims as of December 31, 2021 and 2020 (which include claims for workers' compensation, commercial general and auto liability, and employee-related health care benefits) were \$497.4 million and \$449.3 million, respectively, under our risk management program and are included in other accrued liabilities and insurance reserves, net of current portion, in our consolidated balance sheets. While the ultimate amount of claims incurred depends on future developments, we believe the recorded reserves are adequate to cover the future payment of claims; however, it is possible that these recorded reserves may not be adequate to cover the future payment of claims. Adjustments, if any, to estimates recorded resulting from ultimate claim payments will be reflected in our consolidated statements of income in the periods in which such adjustments are known.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The following table summarizes the activity in our insurance reserves for the years ended December 31:

	2021	2020	2019
Balance at beginning of year	\$ 449.3	\$ 438.5	\$ 423.7
Additions charged to expense	552.4	466.1	468.5
Payments	(531.8)	(482.6)	(479.3)
Accretion expense	0.3	0.5	0.7
Premium written for third party risk assumed	36.5	36.5	35.5
Reclassified to ceded insurance reserves	(9.3)	(9.7)	(10.6)
Balance at end of year	497.4	449.3	438.5
Less: current portion	(193.5)	(167.5)	(162.0)
Long-term portion	\$ 303.9	\$ 281.8	\$ 276.5

8. LANDFILL AND ENVIRONMENTAL COSTS

As of December 31, 2021, we owned or operated 198 active landfills with total available disposal capacity estimated to be 5.0 billion in-place cubic yards. Additionally, we have post-closure responsibility for 124 closed landfills.

Accrued Landfill and Environmental Costs

A summary of our accrued landfill and environmental liabilities as of December 31 follows:

	2021	2020
Landfill final capping, closure and post-closure liabilities	\$ 1,507.3	\$ 1,346.4
Environmental remediation	454.9	462.8
Total accrued landfill and environmental costs	1,962.2	1,809.2
Less: current portion	(124.5)	(114.5)
Long-term portion	\$ 1,837.7	\$ 1,694.7

Final Capping, Closure and Post-Closure Costs

The following table summarizes the activity in our asset retirement obligation liabilities, which includes liabilities for final capping, closure and post-closure, for the years ended December 31:

	2021	2020	2019
Asset retirement obligation liabilities, beginning of year	\$ 1,346.4	\$ 1,335.6	\$ 1,292.0
Non-cash additions	47.2	42.3	44.9
Acquisitions, net of divestitures and other adjustments	32.1	(10.9)	0.2
Asset retirement obligation adjustments	58.5	(44.9)	(5.2)
Payments	(59.6)	(58.6)	(78.2)
Accretion expense	82.7	82.9	81.9
Asset retirement obligation liabilities, end of year	1,507.3	1,346.4	1,335.6
Less: Current portion	(68.4)	(57.5)	(75.8)
Long-term portion	\$ 1,438.9	\$ 1,288.9	\$ 1,259.8

We review our landfill asset retirement obligations at least annually. As a result, we increased amortization expense by \$6.9 million for December 31, 2021 and reduced amortization expense by \$12.5 million and \$10.9 million for December 31, 2020 and 2019, respectively, primarily related to changes in estimates and assumptions concerning the anticipated waste flow, cost and timing of future final capping, closure and post-closure activities.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The expected future payments for final capping, closure and post-closure as of December 31, 2021 follows:

2022	\$	68.3
2023		68.4
2024		70.4
2025		79.7
2026		76.2
Thereafter		6,681.6
	\$	<u>7,044.6</u>

The estimated remaining final capping, closure and post-closure expenditures presented above are not inflated and not discounted and reflect the total estimated future payments for liabilities which include those incurred and recorded as of December 31, 2021 as well as liabilities yet to be incurred over the remaining life of our landfills.

Environmental Remediation Liabilities

We accrue for remediation costs when they become probable and can be reasonably estimated. There can sometimes be a range of reasonable estimates of the costs associated with remediation of a site. In these cases, we use the amount within the range that constitutes our best estimate. If no amount within the range appears to be a better estimate than any other, we use the amount that is at the low end of such range. It is reasonably possible that we will need to adjust the liabilities recorded for remediation to reflect the effects of new or additional information, to the extent such information impacts the costs, timing or duration of the required actions. If we used the reasonably possible high ends of our ranges, our aggregate potential remediation liability as of December 31, 2021 would be approximately \$342 million higher than the amounts recorded. Future changes in our estimates of the cost, timing or duration of the required actions could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

The following table summarizes the activity in our environmental remediation liabilities for the years ended December 31:

	2021	2020	2019
Environmental remediation liabilities, beginning of year	\$ 462.8	\$ 500.2	\$ 540.2
Net additions charged to expense	0.5	5.1	(12.5)
Payments	(57.1)	(63.5)	(49.1)
Accretion expense (non-cash interest expense)	17.1	18.6	19.0
Acquisitions, net of divestitures and other adjustments	31.6	2.4	2.6
Environmental remediation liabilities, end of year	454.9	462.8	500.2
Less: current portion	(56.1)	(57.0)	(56.8)
Long-term portion	<u>\$ 398.8</u>	<u>\$ 405.8</u>	<u>\$ 443.4</u>

The expected undiscounted future payments for remediation costs as of December 31, 2021 follows:

2022	\$	56.1
2023		56.5
2024		60.6
2025		51.4
2026		47.8
Thereafter		334.3
	\$	<u>606.7</u>

The following is a discussion of certain of our significant remediation matters:

Bridgeton Landfill. During the year ended December 31, 2021, we paid \$18.9 million related to management and monitoring of the remediation area for our closed Bridgeton Landfill in Missouri. We continue to work with state and federal regulatory agencies on our remediation efforts. From time to time, this may require us to modify our future operating timeline and procedures, which could result in changes to our expected liability. As of December 31, 2021, the remediation liability recorded for this site is \$102.7 million, of which approximately \$16 million is expected to be paid during 2022. We believe the remaining

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

reasonably possible high end of our range would be approximately \$140 million higher than the amount recorded as of December 31, 2021.

In 2020, we recognized an insurance recovery of \$10.8 million related to our closed Bridgeton Landfill in Missouri as a reduction of remediation expenses included in our cost of operations.

West Lake Landfill Superfund Site. Our subsidiary Bridgeton Landfill, LLC is one of several currently designated Potentially Responsible Parties for the West Lake Landfill Superfund site (West Lake) in Missouri. On September 27, 2018, the U.S. Environmental Protection Agency (EPA) issued a Record of Decision Amendment for West Lake that includes a total undiscounted cost estimate of \$229 million over a four to five-year design and construction timeline. On March 11, 2019, the EPA issued special notice letters under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) to Bridgeton Landfill, LLC and the other currently designated Potentially Responsible Parties to initiate negotiations to implement the remedy. At this time we are neither able to predict the final design of that remedy, nor estimate how much of the future response costs of the site our subsidiary may agree or be required to pay. During any subsequent administrative proceedings or litigation, our subsidiary will vigorously contest liability for the costs of remediating radiologically-impacted materials generated on behalf of the federal government during the Manhattan Project and delivered to the site by an Atomic Energy Commission licensee and its subcontractor. Currently, we believe we are adequately reserved for our expected remediation liability. However, subsequent events related to remedy design, divisibility, or allocation may require us to modify our expected remediation liability.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

9. DEBT

The carrying value of our credit facilities, finance leases and long-term debt as of December 31, 2021 and 2020 is listed in the following table, and is adjusted for the fair value of interest rate swaps, unamortized discounts, deferred issuance costs and the unamortized portion of adjustments to fair value recorded in purchase accounting. Original issue discounts and adjustments to fair value recorded in purchase accounting are amortized to interest expense over the term of the applicable instrument using the effective interest method.

Maturity	Interest Rate	December 31, 2021			December 31, 2020		
		Principal	Adjustments	Carrying Value	Principal	Adjustments	Carrying Value
Credit facilities:							
Uncommitted Credit Facility	Variable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
\$2.25 billion - June 2023	Variable	—	—	—	186.0	—	186.0
\$3.0 billion - August 2026	Variable	24.3	—	24.3	—	—	—
Senior notes:							
May 2023	4.750	300.0	(0.1)	299.9	300.0	4.8	304.8
August 2024	2.500	900.0	(4.8)	895.2	900.0	(6.6)	893.4
March 2025	3.200	500.0	(2.2)	497.8	500.0	(3.0)	497.0
November 2025	0.875	350.0	(2.6)	347.4	350.0	(3.3)	346.7
July 2026	2.900	500.0	(2.8)	497.2	500.0	(3.3)	496.7
November 2027	3.375	650.0	(3.8)	646.2	650.0	(4.5)	645.5
May 2028	3.950	800.0	(12.4)	787.6	800.0	(14.2)	785.8
March 2030	2.300	600.0	(5.9)	594.1	600.0	(6.5)	593.5
February 2031	1.450	650.0	(7.9)	642.1	650.0	(8.6)	641.4
February 2032	1.750	750.0	(6.6)	743.4	750.0	(7.1)	742.9
March 2033	2.375	700.0	(7.6)	692.4	—	—	—
March 2035	6.086	181.9	(12.8)	169.1	181.9	(13.4)	168.5
March 2040	6.200	399.9	(3.6)	396.3	399.9	(3.6)	396.3
May 2041	5.700	385.7	(5.0)	380.7	385.7	(5.1)	380.6
March 2050	3.050	400.0	(7.1)	392.9	400.0	(7.3)	392.7
Debentures:							
May 2021	9.250	—	—	—	35.3	(0.1)	35.2
September 2035	7.400	148.0	(31.1)	116.9	148.1	(32.1)	116.0
Tax-exempt:							
2023 - 2051	0.150 - 0.300 %	1,189.1	(7.6)	1,181.5	1,111.2	(6.5)	1,104.7
Finance leases:							
2022 - 2063	0.806 - 9.750 %	249.4	—	249.4	206.5	—	206.5
Total Debt		\$ 9,678.3	\$ (123.9)	9,554.4	\$ 9,054.6	\$ (120.4)	8,934.2
Less: current portion				(8.2)			(168.1)
Long-term portion				<u>\$ 9,546.2</u>			<u>\$ 8,766.1</u>

Loss on Extinguishment of Debt and Other Related Costs

During the year ended December 31, 2020, we incurred a loss on the early extinguishment of debt and other related costs. We paid cash premiums during the year totaling \$99.1 million and incurred non-cash charges related to the proportional share of unamortized discounts and deferred issuance costs of \$2.8 million. The unamortized proportional share of certain cash flow hedges reclassified to earnings as non-cash interest expense was \$1.8 million and the proportional share of our fair value hedges that were redesignated and immediately recognized in earnings as a reduction to non-cash interest expense was \$4.7 million.

Future Maturities of Debt

Aggregate principal maturities of notes payable, finance leases and other long-term debt as of December 31, 2021 follow:

2022	\$	8.2
2023		475.2
2024		926.9
2025		856.7
2026		613.2
Thereafter		6,798.1
	\$	<u>9,678.3</u>

Credit Facilities

The Credit Facility

In August 2021, we entered into a \$3.0 billion unsecured revolving credit facility (the Credit Facility), which replaces the prior \$2.25 billion unsecured revolving credit facility which would have matured in June 2023 (the Replaced Credit Facility). Borrowings under the Credit Facility mature in August 2026. As permitted by the Credit Facility, we have the right to request two one-year extensions of the maturity date but none of the lenders are committed to participate in such extension. The Credit Facility also includes a feature that allows us to increase availability, at our option, by an aggregate amount of up to \$1.0 billion through increased commitments from existing lenders or the addition of new lenders.

At our option, borrowings under the Credit Facility bear interest at a Base Rate, a daily floating London Interbank Offered Rate (LIBOR), or a Eurodollar Rate, plus an applicable margin of 0.910% based on our Debt Ratings (all as defined in the Credit Facility agreement). On the earliest of (i) the date that all available tenors of U.S. dollar LIBOR have permanently or indefinitely ceased to be provided or have been announced to be no longer representative, (ii) June 30, 2023 or (iii) the effective date of an election to opt into a secured overnight financing rate (SOFR), the LIBOR rate will be replaced by a forward-looking term rate based on SOFR or a daily rate based on SOFR published on such date.

The Credit Facility is subject to facility fees based on applicable rates defined in the Credit Facility agreement and the aggregate commitment, regardless of usage. Availability under our Credit Facility and Replaced Credit Facility totaled \$2,633.8 million and \$1,671.8 million as of December 31, 2021 and 2020, respectively. The Credit Facility can be used for working capital, capital expenditures, acquisitions, letters of credit and other general corporate purposes. The Credit Facility agreement requires us to comply with financial and other covenants. We may pay dividends and repurchase common stock if we are in compliance with these covenants.

As of December 31, 2021 and 2020, we had \$24.3 million and \$186.0 million of borrowings outstanding under our Credit Facility and Replaced Credit Facility, respectively. We had \$341.9 million and \$376.5 million of letters of credit outstanding under our Credit Facility and Replaced Credit Facility as of December 31, 2021 and 2020, respectively.

Uncommitted Credit Facility

In January 2022, we entered into a \$200.0 million unsecured uncommitted revolving credit facility (the Uncommitted Credit Facility), which replaced the prior \$135.0 million uncommitted credit facility (the Replaced Uncommitted Credit Facility). The Uncommitted Credit Facility bears interest at an annual percentage rate to be agreed upon by both parties, rather than a LIBOR or Cost of Funds rate used in the Replaced Uncommitted Credit Facility (as defined in the Replaced Uncommitted Credit Facility agreement). Borrowings under the Uncommitted Credit Facility can be used for working capital, letters of credit, and other general corporate purposes. The agreement governing our Uncommitted Credit Facility requires us to comply with certain covenants. The Uncommitted Credit Facility may be terminated by either party at any time. As of December 31, 2021 and 2020, we had no borrowings outstanding under our Replaced Uncommitted Credit Facility.

Senior Notes and Debentures

In November 2021, we issued \$700.0 million of 2.375% senior notes due 2033 (the 2.375% Notes). We used the net proceeds for general corporate purposes, including repayment of amounts outstanding under our unsecured and uncommitted credit facilities. Prior to such use, Republic may have temporarily invested the net proceeds in marketable securities and short-term investments.

During the second quarter of 2021, we paid the entire \$35.3 million principal balance of our 9.250% debentures which matured in May 2021.

Our senior notes are general senior unsecured obligations. Interest is payable semi-annually.

Interest Rate Swap and Lock Agreements

Our ability to obtain financing through the capital markets is a key component of our financial strategy. Historically, we have managed risk associated with executing this strategy, particularly as it relates to fluctuations in interest rates, by using a combination of fixed and floating rate debt. From time to time, we also have entered into interest rate swap and lock agreements to manage risks associated with interest rates, either to effectively convert specific fixed rate debt to a floating rate (fair value hedges), or to lock interest rates in anticipation of future debt issuances (cash flow hedges).

Fair Value Hedges

During the second half of 2013, we entered into various interest rate swap agreements relative to our 4.750% fixed rate senior notes due in May 2023 (the 4.750% Notes). The goal was to reduce overall borrowing costs and rebalance our debt portfolio's ratio of fixed to floating interest rates. As of December 31, 2021, these swap agreements have a total notional value of \$300.0 million and mature in May 2023. We pay interest at floating rates based on changes in LIBOR and receive interest at a fixed rate of 4.750%. In 2013, these transactions were designated as fair value hedges because the swaps hedge against the changes in fair value of the 4.750% Notes resulting from changes in interest rates.

Contemporaneously with our \$250.0 million redemption of the 4.750% Notes in 2020, we dedesignated the proportional share of these swap agreements as fair value hedges and recognized \$4.7 million in earnings immediately as a reduction to non-cash interest expense. There was no ineffectiveness recognized in the dedesignation of these fair value hedges. Following the dedesignation, the fair value of these free standing derivatives was determined using standard valuation models with assumptions about interest rates being based on those observed in underlying markets (Level 2 in the fair value hierarchy). As of December 31, 2021 and 2020, these free standing derivatives are reflected at their fair value of \$3.9 million and \$8.3 million, respectively, and are included in other assets in our consolidated balance sheets. For the years ended December 31, 2021 and 2020, we recognized losses of \$4.4 million and \$0.1 million directly in earnings as an adjustment to non-cash interest expense attributable to the change in fair value of the free standing derivatives, respectively.

As of December 31, 2021 and 2020, the interest rate swap agreements that were designated as fair value hedges are reflected at their fair value of \$4.7 million and \$10.0 million, respectively, and are included in other assets in our consolidated balance sheets. To the extent they are effective, the remaining hedged portion of these interest rate swap agreements is included as an adjustment to long-term debt in our consolidated balance sheets.

We recognized net interest income of \$7.9 million, \$5.7 million and \$1.0 million, respectively, during 2021, 2020 and 2019 related to net swap settlements for these interest rate swap agreements, which is included as an offset to interest expense in our consolidated statements of income.

For the years ended December 31, 2021, 2020 and 2019, we recognized a gain of \$5.2 million, and losses of \$5.7 million and \$7.5 million, respectively, related to the impact of changes in the benchmark interest rate on the fair value of the hedged senior notes. For the years ended December 31, 2021, 2020 and 2019, we recognized offsetting loss of \$5.2 million, and gains of \$7.6 million and \$8.1 million, respectively, on the related interest rate swaps attributable to changes in the benchmark interest rate. The difference of these fair value changes for the years ended December 31, 2021, 2020 and 2019 was recorded directly in earnings as an adjustment to interest expense in our consolidated statements of income.

For further detail regarding the effect of our fair value hedging on interest expense, see Note 18, *Financial Instruments*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Cash Flow Hedges

We have historically entered into multiple swap agreements designated as cash flow hedges to manage exposure to fluctuations in interest rates in anticipation of planned future issuances of senior notes. Upon the expected issuance of senior notes, we terminate the interest rate locks and settle with our counterparties. These transactions were accounted for as cash flow hedges. All of our cash flow hedges settled before December 31, 2020, thus there was no related asset or liability as of December 31, 2021 or December 31, 2020.

The fair value of our interest rate locks was determined using standard valuation models with assumptions about interest rates being based on those observed in underlying markets (Level 2 in the fair value hierarchy).

There was no unrealized gain or loss recognized in other comprehensive income for the year ended December 31, 2021. The total unrealized losses recognized in other comprehensive income for interest rate locks were \$22.5 million and \$30.2 million, net of tax, for the years ended December 31, 2020, and 2019, respectively.

As of December 31, 2021 and 2020, our previously terminated interest rate locks were recorded as components of accumulated other comprehensive loss of \$25.8 million and \$30.4 million, respectively, net of tax. The effective portion of the interest rate locks is amortized as an adjustment to interest expense over the life of the issued debt using the effective interest method. Over

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

the next 12 months, we expect to amortize approximately \$4.3 million, net of tax, from accumulated other comprehensive loss to interest expense as a yield adjustment of our senior notes.

For further detail regarding the effect of our cash flow hedging on interest expense, see Note 18, *Financial Instruments*, of the notes to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Derivative Contracts

Contemporaneously with the issuance of our 2.300% Notes in February 2020, we amended interest rate lock agreements with a notional value of \$550.0 million, extending the mandatory maturity date from 2020 to 2030 and redesignated them as cash flow hedges (the 2020 Extended Interest Rate Locks). Contemporaneously with the issuance of our 2.500% Notes in August 2019 we amended interest rate lock agreements with a notional value of \$375.0 million, extending the mandatory maturity date from 2019 to 2024 and redesignated them as cash flow hedges (2019 Extended Interest Rate Locks and collectively with the 2020 Extended Interest Rate Locks referred to as the Extended Interest Rate Locks). There was no ineffectiveness recognized in the termination of these cash flow hedges. In addition, we entered into offsetting interest rate swaps to offset future exposures to fair value fluctuations of the Extended Interest Rate Locks (the 2019 Offsetting Interest Rate Swap and the 2020 Offsetting Interest Rate Swap, or collectively the Offsetting Interest Rate Swaps). The fair value of these free standing derivatives was determined using standard valuation models with assumptions about interest rates being based on those observed in underlying markets (Level 2 in the fair value hierarchy).

As of December 31, 2021 and 2020, the fair values of the Extended Interest Rate Locks were liabilities of \$49.9 million and \$103.0 million, respectively, which were included in other long-term liabilities in our consolidated balance sheet. As of December 31, 2021, the fair value of the 2019 Offsetting Interest Rate Swap was an asset of \$11.1 million, which was recorded in other assets in our consolidated balance sheet, and the fair value of the 2020 Offsetting Interest Rate Swap was a liability of \$0.8 million, which was included in other long-term liabilities in our consolidated balance sheet. As of December 31, 2020, the fair values of the Offsetting Interest Rate Swaps were assets of \$55.5 million, which were included in other assets in our consolidated balance sheet. For the year ended December 31, 2021, we recognized a gain of \$44.3 million on the change in fair value of the Extended Interest Rate Locks, with an offsetting loss of \$44.0 million, on the Offsetting Interest Rate Swaps. For the year ended December 31, 2020, we recognized a loss of \$55.6 million on the change in fair value of the Extended Interest Rate Locks, with an offsetting gain of \$52.9 million on the Offsetting Interest Rate Swaps. The changes in fair value were recorded directly in earnings as an adjustment to interest expense in our consolidated statements of income.

Tax-Exempt Financings

As of December 31, 2021, we had \$1,181.5 million of certain variable rate tax-exempt financings outstanding with maturities ranging from 2023 to 2051. As of December 31, 2020, we had \$1,104.7 million of certain variable rate tax-exempt financings outstanding with maturities ranging from 2021 to 2050. During the year ended December 31, 2021 and 2020, we issued \$205.0 million and \$60.0 million, respectively, of new tax-exempt financings.

In the fourth quarter of 2021, the Pennsylvania Economic Development Financing Authority issued, for our benefit, \$30.0 million of Solid Waste Disposal Revenue Bonds. The proceeds from the issuance, after deferred issuance costs, will be used to fund qualifying landfill-related expenditures in the Commonwealth of Pennsylvania, of which \$17.2 million has been incurred and reimbursed to us. As of December 31, 2021, we had \$139.0 million of restricted cash and marketable securities, of which \$12.4 million represented proceeds from the issuance of the tax-exempt bonds.

All of our tax-exempt financings are remarketed either quarterly or semi-annually by remarketing agents to effectively maintain a variable yield. The holders of the bonds can put them back to the remarketing agents at the end of each interest period. If the remarketing agent is unable to remarket our bonds, the remarketing agent can put the bonds to us. In the event of a failed remarketing, we currently have availability under our Credit Facility to fund these bonds until they are remarketed successfully. Accordingly, we have classified these borrowings as long-term in our consolidated balance sheet as of December 31, 2021 and 2020.

Finance Leases

We had finance lease liabilities of \$249.4 million and \$206.5 million as of December 31, 2021 and 2020, respectively, with maturities ranging from 2022 to 2063 and 2021 to 2063, respectively.

Interest Paid

Interest paid, excluding net swap settlements for our fair value hedges, was \$249.4 million, \$325.1 million, and \$346.8 million for the years ended December 31, 2021, 2020 and 2019, respectively.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

10. LEASES

A summary of the lease classification on our consolidated balance sheet as of December 31, 2021 and 2020 follows:

		2021	2020
Assets			
Operating right-of-use lease assets	Other assets	\$ 255.3	\$ 218.8
Finance lease assets	Property and equipment, net	291.7	227.7
Total leased assets		<u>\$ 547.0</u>	<u>\$ 446.5</u>
Liabilities			
Current			
Operating	Other accrued liabilities	\$ 38.2	\$ 33.5
Finance	Notes payable and current maturities of long-term debt	8.2	5.8
Long-term			
Operating	Other long-term liabilities	239.0	206.6
Finance	Long-term debt, net of current maturities	241.2	200.7
Total lease liabilities		<u>\$ 526.6</u>	<u>\$ 446.6</u>

A summary of the lease cost reflected in our consolidated statements of income for the years ended December 31 follow:

		2021	2020
Operating lease cost			
Fixed lease cost	Cost of operations	\$ 44.6	\$ 44.0
Short-term lease cost	Cost of operations	25.4	23.4
Variable lease cost	Cost of operations	20.7	18.6
Finance lease cost			
Amortization of leased assets	Depreciation amortization, and depletion	10.5	7.6
Interest on lease liabilities	Interest expense	9.3	8.2
Variable lease cost	Interest expense	16.4	14.0
Total lease cost		<u>\$ 126.9</u>	<u>\$ 115.8</u>

During the years ended December 31, 2021 and 2020, we recognized changes in our operating right-of-use lease liabilities and assets, resulting from the recognition of non-cash lease expense of \$35.8 million and \$34.1 million, respectively.

As of December 31, 2021, maturities for operating and finance lease liabilities were as follows:

	Operating Leases	Finance Leases	Total
2022	\$ 45.1	\$ 18.0	\$ 63.1
2023	44.2	40.1	84.3
2024	40.8	13.8	54.6
2025	37.7	13.9	51.6
2026	33.6	14.0	47.6
Thereafter	114.0	333.8	447.8
Total lease payments	315.4	433.6	749.0
Less: interest	(38.2)	(184.2)	(222.4)
Present value of lease liabilities	<u>\$ 277.2</u>	<u>\$ 249.4</u>	<u>\$ 526.6</u>

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

A summary of the weighted-average remaining lease term and weighted-average discount rate as of December 31, 2021 and 2020 follows:

	2021	2020
Weighted-average remaining lease term (years)		
Operating leases	8.2	8.4
Finance leases	28.2	30.4
Weighted-average discount rate		
Operating leases	3.2 %	3.8 %
Finance leases	3.8 %	4.3 %

Supplemental cash flow and other non-cash information for the years ended December 31 follow:

	2021	2020
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 91.4	\$ 86.9
Operating cash flows from finance leases	\$ 25.8	\$ 22.2
Financing cash flows from finance leases	\$ 7.4	\$ 8.1
Leased assets obtained in exchange for new finance lease liabilities	\$ 50.2	\$ 108.0
Leased assets obtained in exchange for new operating lease liabilities	\$ 78.5	\$ 24.8

11. INCOME TAXES

The components of the provision for income taxes for the years ended December 31 follow:

	2021	2020	2019
Current:			
Federal	\$ 234.9	\$ 71.7	\$ 46.1
State	67.3	43.6	40.5
Deferred:			
Federal	(34.1)	65.4	151.8
State	18.6	12.6	18.9
State deferred benefit - change in valuation allowance	—	(17.2)	(4.6)
Uncertain tax positions and interest, and other	(3.9)	(3.0)	(30.7)
Provision for income taxes	<u>\$ 282.8</u>	<u>\$ 173.1</u>	<u>\$ 222.0</u>

The reconciliations of the statutory federal income tax rate to our effective tax rate for the years ended December 31 follow:

	2021	2020	2019
Federal statutory rate	21.0 %	21.0 %	21.0 %
State income taxes, net of federal benefit	4.5	4.5	4.2
Change in valuation allowance	—	(1.5)	(0.4)
Non-deductible expenses	1.0	1.7	1.7
Uncertain tax position taxes and interest	0.1	0.1	(0.3)
Investment tax credits	(8.0)	(8.8)	(6.5)
Other, net	(0.6)	(1.8)	(2.6)
Effective income tax rate	<u>18.0 %</u>	<u>15.2 %</u>	<u>17.1 %</u>

During 2021, we acquired non-controlling interests in limited liability companies established to own solar energy assets that qualified for investment tax credits under Section 48 of the Internal Revenue Code. We account for these investments using the equity method of accounting and recognize our share of income or loss and other reductions in the value of our investment in loss from unconsolidated equity method investments within our consolidated statements of income. For further discussion regarding our equity method accounting, see Note 3, *Business Acquisitions, Investments and Restructuring Charges*. Our 2021 tax provision reflects a benefit of approximately \$126 million due to the tax credits related to these investments.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Our 2020 tax provision was reduced by \$11.6 million from excess tax benefits related to stock compensation, approximately \$100 million related to the tax credits from our non-controlling interest in limited liability companies established to own solar energy assets, \$17.2 million for adjustments to our valuation allowance due to the realizability of certain state loss carryforwards, and \$8.2 million due to the realization of additional federal and state benefits as well as adjustments to deferred taxes due to the completion of our 2019 tax returns.

Our 2019 tax provision was reduced by \$12.3 million from excess tax benefits related to stock compensation, approximately \$84 million related to the tax credits from our non-controlling interests in limited liability companies established to own solar energy assets, and approximately \$13 million due to the realization of tax credits and lower state rates due to changes in estimates following the completion of our 2018 tax returns.

We made income tax payments (net of refunds) of approximately \$300 million, \$124 million and \$31 million for 2021, 2020, and 2019, respectively. Income taxes paid in 2021, 2020, and 2019 reflect benefits from tax credits from our continuing investments in solar energy. For 2020 and 2019, cash taxes paid reflect benefits from 100% bonus depreciation on qualified assets.

The components of the net deferred income tax asset and liability as of December 31 follow:

	2021	2020
Deferred tax liabilities relating to:		
Differences between book and tax basis of property and equipment	\$ (949.2)	\$ (1,010.7)
Difference between book and tax basis of intangible assets	(503.7)	(464.6)
Operating right-of-use lease assets	(66.5)	(60.9)
Basis difference due to redemption of partnership interests	(82.2)	(85.3)
Total liabilities	\$ (1,601.6)	\$ (1,621.5)
Deferred tax assets relating to:		
Environmental reserves	\$ 217.6	\$ 224.6
Accruals not currently deductible	82.4	84.5
Net operating loss carryforwards	105.1	111.8
Difference between book and tax basis of other assets	22.5	21.7
Operating right-of-use lease liabilities	66.4	61.1
Other	14.1	13.3
Total assets	508.1	517.0
Valuation allowance	(43.7)	(43.8)
Net deferred tax asset	464.4	473.2
Net deferred tax liabilities	\$ (1,137.2)	\$ (1,148.3)

Changes in the deferred tax valuation allowance for the years ended December 31 follow:

	2021	2020	2019
Valuation allowance, beginning of year	\$ 43.8	\$ 67.6	\$ 73.5
Additions charged to provision for income taxes	0.4	2.2	0.1
Deferred tax assets realized or written-off	0.1	(28.3)	(6.0)
Other, net	(0.6)	2.3	—
Valuation allowance, end of year	\$ 43.7	\$ 43.8	\$ 67.6

We have deferred tax assets related to state net operating loss carryforwards. We provide a partial valuation allowance due to uncertainty surrounding the future utilization of these carryforwards in the taxing jurisdictions where the loss carryforwards exist. When determining the need for a valuation allowance, we consider all positive and negative evidence, including recent financial results, scheduled reversals of deferred tax liabilities, projected future taxable income and tax planning strategies. The weight given to the positive and negative evidence is commensurate with the extent such evidence can be objectively verified. We adjust the valuation allowance in the period management determines it is more likely than not that deferred tax assets will or will not be realized.

Substantially all of our valuation allowance is associated with state loss carryforwards. The realization of our deferred tax asset for state loss carryforwards ultimately depends upon the existence of sufficient taxable income in the appropriate state taxing

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

jurisdictions in future periods. We continue to regularly monitor both positive and negative evidence in determining the ongoing need for a valuation allowance.

We have deferred tax assets related to state net operating loss carryforwards with an estimated tax effect of approximately \$87 million available as of December 31, 2021. These state net operating loss carryforwards expire at various times between 2022 and 2041. We believe that it is more likely than not that the benefit from some of our state net operating loss carryforwards will not be realized due to limitations on these loss carryforwards in certain states. In recognition of this risk, as of December 31, 2021, we have provided a valuation allowance of approximately \$43 million.

We are subject to income tax in the United States, as well as income tax in multiple state jurisdictions. Our compliance with income tax rules and regulations is periodically audited by tax authorities. These authorities may challenge the positions taken in our tax filings. Thus, to provide for certain potential tax exposures, we maintain liabilities for uncertain tax positions for our estimate of the final outcome of the examinations. Our federal statute of limitations is closed for all years prior to 2015. We are currently under examination by the Internal Revenue Service (IRS) for tax years 2015 through 2018. In addition, we are currently under state examination or administrative review in various jurisdictions for tax years 2012 to 2020.

The following table summarizes the activity in our gross unrecognized tax benefits for the years ended December 31:

	2021	2020	2019
Balance at beginning of year	\$ 101.1	\$ 100.7	\$ 104.9
Additions for tax positions of prior years	0.5	0.4	0.9
Reductions for tax positions of prior years	(0.1)	—	—
Reductions for tax positions resulting from lapse of statute of limitations	—	—	(0.2)
Settlements	—	—	(4.9)
Balance at end of year	<u>\$ 101.5</u>	<u>\$ 101.1</u>	<u>\$ 100.7</u>

During 2019 we resolved tax matters in various states which reduced our gross unrecognized tax benefits by \$5.1 million.

Included in our gross unrecognized tax benefits as of December 31, 2021, 2020, and 2019 are \$93.6 million, \$93.3 million and \$93.0 million, respectively, of unrecognized tax benefits (net of the federal benefit) that, if recognized, would affect our effective income tax rate in future periods. However, we are unable to estimate the resolution of these matters over the next 12 months.

We recognize interest and penalties as incurred within the provision for income taxes in our consolidated statements of income. Related to the unrecognized tax benefits previously noted, we recorded interest expense of \$0.8 million during 2021 and, in total as of December 31, 2021, have recognized a liability for penalties of \$0.3 million and interest of \$13.7 million.

During 2020, we recorded interest expense of approximately \$0.8 million and, in total as of December 31, 2020, had recognized a liability for penalties of \$0.3 million and interest of \$12.6 million. During 2019, we accrued interest of \$4.0 million and, in total as of December 31, 2019, had recognized a liability for penalties of \$0.3 million and interest of \$11.6 million.

We believe the recorded liabilities for uncertain tax positions are adequate. However, a significant assessment against us in excess of the liabilities recorded could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

12. EMPLOYEE BENEFIT PLANS

Stock-Based Compensation

In October 2020, our Board of Directors amended and restated the Republic Services, Inc. Executive Incentive Plan (the 2021 Plan) to remove references to the performance-based compensation exception that was previously permitted but is no longer applicable under Section 162(m) of the Code. The purposes of the 2021 Plan are to promote the success of the Company; to provide designated Executive Officers with an opportunity to receive incentive compensation dependent upon that success; and to attract, retain and motivate such individuals. We currently have 12.3 million shares of common stock reserved for future grants under the 2021 Plan.

In February 2007, our Board of Directors approved the 2007 Stock Incentive Plan (the 2007 Plan), and in May 2007 our shareholders approved the 2007 Plan. In March 2011, our Board of Directors approved the Amended and Restated 2007 Stock Incentive Plan (the Amended and Restated 2007 SIP), and in May 2011 our shareholders approved the Amended and Restated 2007 SIP. In March 2013, our Board of Directors approved the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (the Republic Amended and Restated 2007 SIP), and in May 2013 our shareholders approved the Republic Amended and Restated 2007 SIP (the 2007 Plan, the Amended and Restated 2007 SIP and the Republic Amended and Restated

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

2007 SIP are collectively referred to as the Amended and Restated 2007 Stock Incentive Plan). No further awards will be made under the Amended and Restated 2007 Stock Incentive Plan.

Restricted Stock Units

The following table summarizes restricted stock unit (RSU) activity for the years ended December 31, 2021, 2020 and 2019:

	Number of RSUs (in thousands)	Weighted-Average Grant Date Fair Value per Share	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Unissued as of December 31, 2018	1,592.6	\$ 51.88		
Granted	392.8	\$ 75.11		
Vested and issued	(409.8)	\$ 50.40		
Forfeited	(76.1)	\$ 65.37		
Unissued as of December 31, 2019	1,499.5	\$ 57.63		
Granted	314.9	\$ 95.75		
Vested and issued	(538.2)	\$ 50.63		
Forfeited	(64.1)	\$ 79.77		
Unissued as of December 31, 2020	1,212.1	\$ 69.47		
Granted	358.0	\$ 91.21		
Vested and issued	(434.5)	\$ 74.69		
Forfeited	(44.8)	\$ 87.43		
Unissued as of December 31, 2021	1,090.8	\$ 77.19	0.7	\$ 152.1
Vested and unissued as of December 31, 2021	385.1	\$ 55.97		

During the years ended December 31, 2021, 2020 and 2019, we awarded our non-employee directors 26,328, 29,331 and 35,376 RSUs, respectively, which vested upon issuance.

During the years ended December 31, 2021, 2020 and 2019, we awarded 312,602, 258,661 and 328,142 RSUs, respectively, to executives and employees that vest in four equal annual installments beginning on the anniversary date of the original grant or cliff vest after four years.

During the years ended December 31, 2021, 2020 and 2019, we granted an additional 19,049, 26,907 and 29,273 RSUs, respectively, as dividend equivalents.

The RSUs do not carry any voting or dividend rights, except the right to receive additional RSUs in lieu of dividends.

Compensation Expense

The fair value of RSUs is based on the closing market price on the date of the grant. The compensation expense related to RSUs is amortized ratably over the vesting period, or to the employee's retirement eligible date, if earlier.

During the years ended December 31, 2021, 2020 and 2019, compensation expense related to RSUs totaled \$32.5 million, \$26.2 million and \$24.8 million, respectively. In 2021, we recognized approximately \$6 million of compensation expense related to the accelerated vesting of RSUs previously granted to Donald W. Slager that were previously scheduled to vest in 2022 and beyond as a result of his retirement as Chief Executive Officer (CEO) of Republic Services, Inc. in June 2021. As of December 31, 2021, total unrecognized compensation expense related to outstanding RSUs was \$32.5 million, which will be recognized over a weighted average period of 2.6 years.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Performance Shares

The following table summarizes performance stock unit (PSU) activity for the years ended December 31, 2021, 2020 and 2019:

	Number of PSUs (in thousands)	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2018	999.7	\$ 55.77
Granted	356.1	\$ 71.22
Vested and issued	(407.3)	\$ 47.11
Forfeited	(29.3)	\$ 67.77
Outstanding as of December 31, 2019	919.2	\$ 65.92
Granted	247.0	\$ 98.01
Vested and issued	(285.0)	\$ 61.22
Forfeited	(27.6)	\$ 88.29
Outstanding as of December 31, 2020	853.6	\$ 76.14
Granted	313.1	\$ 91.01
Vested and issued	(287.0)	\$ 65.35
Forfeited	(22.4)	\$ 91.20
Outstanding and Exercisable as of December 31, 2021	857.3	\$ 84.79

During the years ended December 31, 2021, 2020 and 2019, we awarded 181,322, 127,278 and 166,179 PSUs to our executive officers, respectively. These awards are performance-based as the number of shares ultimately earned depends on performance against pre-determined targets for return on invested capital (ROIC), cash flow value creation (CFVC), and total shareholder return relative to the S&P 500 index (RTSR). The PSUs are payable 50% in shares of common stock and 50% in cash after the end of a three-year performance period, when our financial performance for the entire performance period is reported, typically in February of the succeeding year. At the end of the performance period, the number of PSUs awarded can range from 0% to 150% of the targeted amount, depending on the performance against the pre-determined targets.

During the years ended December 31, 2021, 2020 and 2019, we awarded 118,168, 102,994, and 172,341 PSUs to our employees other than our executive officers, respectively. The PSUs are payable 100% in shares of common stock after the end of a three-year performance period, when our financial performance for the entire performance period is reported, typically in February of the succeeding year. At the end of the performance period, the number of PSUs awarded can range from 0% to 150% of the targeted amount, depending on the performance against the pre-determined targets.

During the years ended December 31, 2021, 2020 and 2019, we granted an additional 13,586, 16,760, and 17,612 PSUs, respectively, as dividend equivalents.

The PSUs do not carry any voting or dividend rights, except the right to accumulate additional PSUs in lieu of dividends.

Compensation Expense

For the stock-settled portion of the award that vests based on future ROIC and CFVC performance, compensation expense is measured using the fair value of our common stock at the grant date. For the cash-settled portion of the award that vests based on future ROIC and CFVC performance, compensation expense is recorded based on the fair value of our common stock at the end of each reporting period. Compensation expense is recognized ratably over the performance period based on our estimated achievement of the established performance criteria. Compensation expense is only recognized for the portion of the award that we expect to vest, which we estimate based on an assessment of the probability that the performance criteria will be achieved.

For the stock-settled portion of the award that vests based on RTSR, the grant date fair value is based on a Monte Carlo valuation and compensation expense is recognized on a straight-line basis over the vesting period. For the cash-settled portion of the award that vests based on RTSR, compensation expense also incorporates the fair value of our PSUs at the end of each reporting period. Compensation expense is recognized for the RTSR portion of the award whether or not the market conditions are achieved.

During the years ended December 31, 2021, 2020 and 2019, compensation expense related to PSUs totaled \$47.1 million, \$17.2 million, and \$22.5 million, respectively. In 2021, we recognized approximately \$16 million of compensation expense related to the accelerated vesting of PSUs previously granted to Mr. Slager that were previously scheduled to vest in 2022 and beyond as a result of his retirement in June 2021. As of December 31, 2021, total unrecognized compensation expense related to outstanding PSUs was \$22.5 million, which will be recognized over a weighted average period of 1.0 years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Defined Benefit Pension Plan

We currently have one qualified defined benefit pension plan, the BFI Retirement Plan (the Plan). The Plan covers certain employees in the United States, including some employees subject to collective bargaining agreements.

The Plan benefits are frozen. Interest credits continue to be earned by participants in the Plan, and participants whose collective bargaining agreements provide for additional benefit accruals under the Plan continue to receive those credits in accordance with the terms of their bargaining agreements. The Plan was converted from a traditional defined benefit plan to a cash balance plan in 1993.

Prior to the conversion to the cash balance design, benefits payable as a single life annuity under the Plan were based on the participant's highest five years of earnings out of the last ten years of service. Upon conversion to the cash balance plan, the existing accrued benefits were converted to a lump-sum value using the actuarial assumptions in effect at the time. Participants' cash balance accounts are increased until retirement by certain benefit and interest credits under the terms of their bargaining agreements. Participants may elect early retirement with the attainment of age 55 and completion of ten years of credited service at reduced benefits. Participants with 35 years of service may retire at age 62 without any reduction in benefits.

Our pension contributions are made in accordance with funding standards established by the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code, as amended by the Pension Protection Act enacted in 2006 (the PPA). No contributions were made in 2021 or 2020.

We must separately recognize the overfunded or underfunded status of the Plan as an asset or liability. The funded status represents the difference between the projected benefit obligation (PBO) and the fair value of the Plan assets. The PBO is equal to the accumulated benefit obligation (ABO) as the Plan is frozen, and the present value of liabilities is not affected by future salary increases. We use a measurement date that coincides with our year end of December 31.

The following table presents the ABO and reconciliations of the changes in the PBO, the Plan assets and the accounting funded status of our defined benefit pension plan for the years ended December 31:

	Defined Benefit Pension Plan	
	2021	2020
Accumulated benefit obligation	\$ 215.1	\$ 219.2
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	\$ 219.2	\$ 218.0
Interest cost	4.7	6.4
Actuarial loss	6.7	11.3
Benefits paid	(15.5)	(16.5)
Projected benefit obligation at end of year	\$ 215.1	\$ 219.2
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 232.5	\$ 226.6
Actual return on plan assets	6.3	24.5
Estimated expenses	(1.5)	(2.1)
Benefits paid	(15.5)	(16.5)
Fair value of plan assets at end of year	\$ 221.8	\$ 232.5
Over funded status	\$ 6.7	\$ 13.3
Amounts recognized in the statement of financial position consist of:		
Noncurrent assets	\$ 6.7	\$ 13.3
Net amount recognized	\$ 6.7	\$ 13.3
Weighted average assumptions used to determine benefit obligations:		
Discount rate	2.77%	2.24%
Rate of compensation increase	N/A	N/A

The amounts included in accumulated other comprehensive income on the consolidated balance sheets that have not yet been recognized as components of net periodic benefit cost as of December 31, 2021 and 2020 were \$14.5 million and \$23.7 million, respectively.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The components of the net periodic benefit cost for the years ended December 31 are summarized below:

	2021	2020	2019
Components of net periodic benefit cost:			
Interest cost	\$ 4.7	\$ 6.4	\$ 8.9
Expected return on plan assets	(6.0)	(8.0)	(9.7)
Recognized net actuarial (gain)	—	(0.1)	(0.1)
Amortization of prior service cost		0.1	0.1
Net periodic benefit (income)	\$ (1.3)	\$ (1.6)	\$ (0.8)
Weighted average assumptions used to determine net periodic benefit cost:			
Discount rate	2.77 %	2.24 %	4.21 %
Expected return on plan assets	4.10 %	3.45 %	5.20 %
Rate of compensation increase	N/A	N/A	N/A

We determine the discount rate used in the measurement of our obligations based on a model that matches the timing and amount of expected benefit payments to maturities of high quality bonds priced as of the Plan measurement date. When that timing does not correspond to a published high-quality bond rate, our model uses an expected yield curve to determine an appropriate current discount rate. The yields on the bonds are used to derive a discount rate for the liability. The term of our obligation, based on the expected retirement dates of our workforce, is approximately seven years.

In developing our expected rate of return assumption, we have evaluated the actual historical performance and long-term return projections of the Plan assets, which give consideration to the asset mix and the anticipated timing of the Plan outflows. We employ a total return investment approach whereby a mix of equity and fixed income investments are used to maximize the long-term return of Plan assets for what we consider a prudent level of risk. The intent of this strategy is to minimize Plan expenses by outperforming Plan liabilities over the long run. Risk tolerance is established through careful consideration of Plan liabilities, Plan funded status and our financial condition. The investment portfolio contains a diversified blend of equity and fixed income investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks as well as growth, value, and small and large capitalizations. Derivatives may be used to gain market exposure in an efficient and timely manner; however, derivatives may not be used to leverage the portfolio beyond the market value of the underlying investments. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset and liability studies, and quarterly investment portfolio reviews.

The following table summarizes our target asset allocation as of December 31, 2021 and the actual asset allocation as of December 31, 2021 and 2020 for our Plan:

	December 31, 2021 Target Asset Allocation	December 31, 2021 Actual Asset Allocation	December 31, 2020 Actual Asset Allocation
Debt securities	82 %	82 %	81 %
Equity securities	18	18	19
Total	100 %	100 %	100 %

Asset allocations are reviewed and rebalanced periodically based on funded status. For 2022, the investment strategy for Plan assets is to maintain a broadly diversified portfolio designed to achieve our target of an average long-term rate of return of 4.10%. While we believe we can achieve a long-term average return of 4.10%, we cannot be certain that the portfolio will perform to our expectations. Assets are strategically allocated among debt and equity portfolios to achieve a diversification level that reduces fluctuations in investment returns. Asset allocation target ranges and strategies are reviewed periodically with the assistance of an independent external consulting firm.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

The Plan assets are measured at fair value. The following table summarizes, by level, within the fair value hierarchy, the investments of the Plan at fair value as of December 31, 2021 and 2020:

	December 31, 2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market accounts	\$ 5.0	\$ 5.0	\$ —	\$ —
Mutual funds	216.8	—	216.8	—
Total assets	\$ 221.8	\$ 5.0	\$ 216.8	\$ —

	December 31, 2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market accounts	\$ 4.8	\$ 4.8	\$ —	\$ —
Mutual funds	227.7	—	227.7	—
Total assets	\$ 232.5	\$ 4.8	\$ 227.7	\$ —

Estimated future benefit payments for the next ten years under the Plan follow:

2022	\$ 16.5
2023	\$ 15.7
2024	\$ 15.4
2025	\$ 14.9
2026	\$ 14.7
2027 through 2031	\$ 62.6

Collective Bargaining Agreements

As of December 31, 2021, approximately 24% of our workforce was covered by collective bargaining agreements (CBAs), and approximately 6% of our workforce was covered by CBAs that will expire during 2022.

Multiemployer Pension Plans

We participate in multiemployer pension plans that generally provide retirement benefits to participants of contributing employers. We do not administer these plans. In general, these plans are managed by a board of trustees with the unions appointing certain trustees and other contributing employers of the plan appointing certain members. We generally are not represented on the board of trustees.

Based on the information available to us, we believe that some of the multiemployer plans to which we contribute are either critical or endangered as those terms are defined in the Pension Protection Act (PPA). The PPA requires underfunded pension plans to improve their funding ratios within prescribed intervals based on the level of their underfunding. Until the plan trustees develop the funding improvement plans or rehabilitation plans as required by the PPA, we cannot determine the amount of any additional contribution or other financial obligations that we may be subject to, if any. Accordingly, we cannot presently determine the effect that the PPA may have on our consolidated financial position, results of operations or cash flows.

Furthermore, under current law regarding multiemployer benefit plans, a plan's termination, our voluntary withdrawal (which we consider from time to time), or the mass withdrawal from any under-funded multiemployer pension plan would require us to make payments to the plan for our proportionate share of the multiemployer plan's unfunded vested liabilities. During the course of operating our business, we may incur withdrawal events regarding certain of the multiemployer pension plans in which we participate. We accrue for such events when losses become probable and reasonably estimable.

In June 2020, we entered into an agreement with a certain multiemployer pension fund through which we transitioned from one plan into another plan managed by the same fund, thus creating a withdrawal event from the original plan. As a result of the

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

withdrawal event, we recognized \$31.6 million of withdrawal costs, which we paid in July 2020. There were no such withdrawal events in 2021.

Republic's participation in individually significant multiemployer pension plans for the year ended December 31, 2021 is outlined in the table below. Only with respect to multiemployer pension plans, we considered contributions in excess of \$3.5 million in any period disclosed to be individually significant. The most recent PPA zone status available in 2021 and 2020 is for the plans' year ended September 30, or December 31, 2020 and 2019, respectively. The status is based on information that Republic received from the plans and is certified by the plans' actuary. Among other factors, plans in the critical red zone are generally less than 65% funded, plans in the endangered yellow zone are less than 80% funded, and plans in the safe green zone are at least 80% funded. Plans in the critical and declining zone are classified as critical and projected to be insolvent in the current year or any of the 14 following plan years. The last column lists the expiration dates of the CBAs to which the plans are subject.

Legal Plan Name	EIN	Pension Protection Act Zone Status		Funding Improvement or Rehabilitation Plan Status Pending / Implemented	Republic Contributions to Plan			Surcharge Imposed	Expiration Dates of CBAs
		2020	2019		2021	2020	2019		
Western Conference of Teamsters Pension Plan	91-6145047	Safe	Safe	No	\$ 52.2	\$ 49.4	\$ 45.1	No	Various dates through 9/30/26
Local No. 731 I.B. of T. Pension Fund	36-6513567	Safe	Safe	No	8.7	8.8	9.3	No	Various dates through 1/31/24
Individually significant plans					60.9	58.2	54.4		
All other plans	N/A	N/A	N/A	N/A	15.5	15.0	17.7	N/A	
Total					\$ 76.4	\$ 73.2	\$ 72.1		

We are listed in the Form 5500 for Local No. 731, I.B. of T. Pension Fund as providing more than 5% of the total contributions. At the date these financial statements were issued, Forms 5500 were not available for the plan years ended in 2021.

The COVID-19 pandemic has created significant volatility and disruption of financial markets, which has negatively impacted companies across the globe. We will continue to monitor the Pension Protection Act zone status of the multiemployer pension plans in which we participate, noting that the current economic environment may impact certain contributing employers' ability to fulfill their obligations under the plans. We believe the largest risk is attributable to plans in the critical red zone. In the event other contributing employers default on their obligations under the plans, we could be required to adjust our estimates for these matters, which could have a material and adverse effect on our consolidated financial position, results of operations and cash flows.

Defined Contribution Plan

We maintain the Republic Services 401(k) Plan (the 401(k) Plan), which is a defined contribution plan covering all eligible employees. Under the 401(k) Plan, participants may direct us to defer a portion of their compensation to the 401(k) Plan, subject to Internal Revenue Code limitations. We provide for an employer matching contribution equal to 100% of the first 3.0% of eligible compensation and 50.0% of the next 2.0% of eligible compensation contributed by each employee, which is funded in cash. All contributions vest immediately.

Total expense recorded for matching 401(k) contributions in 2021, 2020 and 2019 was \$62.4 million, \$59.3 million and \$55.7 million, respectively.

Deferred Compensation Plan

We provide eligible Republic employees, officers and directors with the opportunity to voluntarily defer base salary, bonus payments, long-term incentive awards and other compensation, as applicable, on a pre-tax basis through the Republic Services, Inc. Deferred Compensation Plan (the DCP). The DCP is a nonqualified deferred compensation plan that conforms to Section 409A of the Internal Revenue Code. Eligible participants can defer up to 80% of base salary and up to 100% of bonus, long-term compensation and directors' fees. Under the DCP, some participants also are eligible for matching contributions. The matching contribution under the DCP is equal to the lesser of 2% of the participant's compensation over established 401(k) limits or 50% of the amount the participant has deferred. The DCP participants have no ownership or security interest in any of the amounts deferred or the measurement funds under the DCP. The right of each participant in the DCP is solely that of a general, unsecured creditor of Republic with respect to his or her own interest under the DCP. Deferred amounts may be subject

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

to forfeiture and are deemed invested among investment funds offered under the DCP, as directed by each participant. Payments of deferred amounts are payable following separation from service or at a date or dates elected by the participant when the deferral is elected. Payments of deferred amounts are made in either a lump sum or in annual installments over a period not exceeding 15 years.

Republic invested in corporate-owned life insurance policies to satisfy future obligations under the DCP. These corporate-owned life insurance policies are held in a Rabbi Trust and are recorded at the amount that can be realized under insurance contracts at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement. The aggregate cash surrender value of these life insurance policies was \$133.5 million and \$131.8 million as of December 31, 2021 and 2020, respectively, and is classified in other assets in our consolidated balance sheets. The DCP liability was \$119.4 million and \$126.6 million as of December 31, 2021 and 2020, respectively, and is classified in other long-term liabilities in our consolidated balance sheets.

Employee Stock Purchase Plan

Republic employees are eligible to participate in an employee stock purchase plan. The plan allows participants to purchase our common stock for 95% of its quoted market price on the last day of each calendar quarter. For the years ended December 31, 2021, 2020 and 2019, issuances under this plan totaled 104,217 shares, 116,865 shares and 107,522 shares, respectively. As of December 31, 2021, shares reserved for issuance to employees under this plan totaled 2.6 million and Republic held employee contributions of \$2.7 million for the purchase of common stock.

13. SHARE REPURCHASES AND DIVIDENDS

Share Repurchases

Share repurchase activity during the years ended December 31, 2021 and 2020 follows (in millions except per share amounts):

	2021	2020
Number of shares repurchased	2.2	1.2
Amount paid	\$ 252.2	\$ 98.8
Weighted average cost per share	\$ 116.09	\$ 85.06

As of December 31, 2021 and 2020 there were no repurchased shares pending settlement.

In October 2017, our Board of Directors added \$2.0 billion to the existing share repurchase authorization, which continued through December 31, 2020. In October 2020, our Board of Directors approved a \$2.0 billion share repurchase authorization effective starting January 1, 2021 and extending through December 31, 2023. Share repurchases under the current program may be made through open market purchases or privately negotiated transactions in accordance with applicable federal securities laws. While the Board of Directors has approved the program, the timing of any purchases, the prices and the number of shares of common stock to be purchased will be determined by our management, at its discretion, and will depend upon market conditions and other factors. The share repurchase program may be extended, suspended or discontinued at any time. As of December 31, 2021, the remaining authorized purchase capacity under our October 2020 repurchase program was \$1.7 billion. On a quarterly basis, our Board of Directors reviews the intrinsic value of our stock and the parameters around which we repurchase our shares.

In December 2020, our board of directors changed the status of 35,789,806 treasury shares to authorized and unissued. In doing so, the number of our issued shares was reduced by the stated amount. Our accounting policy is to deduct the par value from common stock and to reflect the excess of cost over par value as a deduction from additional paid-in capital. The reduction in issued shares resulted in a change of \$2,316.0 million in treasury stock which was reclassified as \$0.3 million in common stock, and \$2,315.7 million in additional paid-in capital. There was no effect on our total stockholders' equity position as a result of the change.

Dividends

In October 2021, our Board of Directors approved a quarterly dividend of \$0.46 per share. Aggregate cash dividends declared were \$563.0 million, \$528.8 million and \$499.4 million for the years ended December 31, 2021, 2020 and 2019, respectively. As of December 31, 2021, we recorded a quarterly dividend payable of \$145.9 million to shareholders of record at the close of business on January 3, 2021.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

14. EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income attributable to Republic Services, Inc. by the weighted average number of common shares (including vested but unissued RSUs and PSUs) outstanding during the period. Diluted earnings per share is based on the combined weighted average number of common shares and common share equivalents outstanding, which include, where appropriate, the assumed exercise of employee stock options, unvested RSUs and unvested PSUs at the expected attainment levels. We use the treasury stock method in computing diluted earnings per share.

Earnings per share for the years ended December 31, 2021, 2020, and 2019 are calculated as follows (in thousands, except per share amounts):

	2021	2020	2019
Basic earnings per share:			
Net income attributable to Republic Services, Inc.	\$ 1,290,405	\$ 967,237	\$ 1,073,286
Weighted average common shares outstanding	318,811	319,282	321,058
Basic earnings per share	\$ 4.05	\$ 3.03	\$ 3.34
Diluted earnings per share:			
Net income attributable to Republic Services, Inc.	\$ 1,290,405	\$ 967,237	\$ 1,073,286
Weighted average common shares outstanding	318,811	319,282	321,058
Effect of dilutive securities:			
Options to purchase common stock	—	52	247
Unvested RSU awards	266	175	254
Unvested PSU awards	348	327	431
Weighted average common and common equivalent shares outstanding	319,425	319,836	321,990
Diluted earnings per share	\$ 4.04	\$ 3.02	\$ 3.33

During each of the years ended December 31, 2021 and 2020, there were less than 0.1 million antidilutive securities outstanding. During the year ended December 31, 2019 there were no antidilutive securities outstanding.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

15. SEGMENT REPORTING

Our senior management evaluates, oversees and manages the financial performance of our operations through three field groups, which are our operating segments, referred to as Group 1, Group 2, and Environmental Solutions. Group 1 primarily consists of geographic areas located in the western United States, and Group 2 primarily consists of geographic areas located in the southeastern and mid-western United States, and the eastern seaboard of the United States. Our Environmental Solutions operating segment, which provides environmental solutions for daily operations of industrial, petrochemical and refining facilities, is aggregated with Corporate entities and other as it only represents approximately 2% of our consolidated revenue. Each of our operating segments provides integrated environmental services, including collection, transfer, recycling, and disposal.

Summarized financial information concerning our reportable segments for the years ended December 31, 2021, 2020 and 2019 follows:

	Gross Revenue	Intercompany Revenue	Net Revenue	Depreciation, Amortization, Depletion and Accretion	Operating Income (Loss)	Capital Expenditures	Total Assets
2021:							
Group 1	\$ 6,630.0	\$ (1,071.1)	\$ 5,558.9	\$ 548.1	\$ 1,495.7	\$ 601.9	\$ 12,199.2
Group 2	6,240.4	(906.8)	5,333.6	541.3	1,135.7	541.8	9,926.9
Corporate entities and other	451.4	(48.9)	402.5	178.8	(555.2)	172.6	2,828.9
Total	\$ 13,321.8	\$ (2,026.8)	\$ 11,295.0	\$ 1,268.2	\$ 2,076.2	\$ 1,316.3	\$ 24,955.0
2020:							
Group 1	\$ 6,059.3	\$ (1,001.8)	\$ 5,057.5	\$ 502.1	\$ 1,343.3	\$ 546.6	\$ 11,593.1
Group 2	5,626.4	(834.5)	4,791.9	488.9	966.8	465.8	9,005.3
Corporate entities and other	346.0	(41.8)	304.2	167.8	(601.0)	182.2	2,835.6
Total	\$ 12,031.7	\$ (1,878.1)	\$ 10,153.6	\$ 1,158.8	\$ 1,709.1	\$ 1,194.6	\$ 23,434.0
2019:							
Group 1	\$ 6,012.5	\$ (1,010.6)	\$ 5,001.9	\$ 493.7	\$ 1,231.7	\$ 551.3	\$ 11,389.1
Group 2	5,782.1	(838.2)	4,943.9	475.0	926.6	490.9	8,944.5
Corporate entities and other	398.4	(44.8)	353.6	153.7	(371.1)	164.9	2,350.2
Total	\$ 12,193.0	\$ (1,893.6)	\$ 10,299.4	\$ 1,122.4	\$ 1,787.2	\$ 1,207.1	\$ 22,683.8

Financial information for the years ended December 31, 2020 and 2019 reflects the transfer of our Environmental Solutions operating segment from Group 2 to Corporate entities and other, to align with how our chief operating decision maker began evaluating our operations in December 2020.

Intercompany revenue reflects transactions within and between segments that generally are made on a basis intended to reflect the market value of such services. Capital expenditures for Corporate entities and other primarily include vehicle inventory acquired but not yet assigned to operating locations and facilities. Corporate functions include legal, tax, treasury, information technology, risk management, human resources, closed landfills, other administrative functions, and environmental solutions.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

16. REVENUE

Our operations primarily consist of providing environmental services. The following table disaggregates our revenue by service line for the years ended December 31 (in millions of dollars and as a percentage of revenue):

	2021		2020		2019	
Collection:						
Residential	\$ 2,452.8	21.7 %	\$ 2,309.0	22.7 %	\$ 2,271.9	22.1 %
Small-container	3,417.7	30.3	3,106.8	30.6	3,170.0	30.8
Large-container	2,378.4	21.1	2,148.9	21.2	2,249.6	21.8
Other	59.6	0.5	51.5	0.5	46.1	0.4
Total collection	8,308.5	73.6	7,616.2	75.0	7,737.6	75.1
Transfer	1,490.0		1,349.4		1,318.7	
Less: intercompany	(814.4)		(745.9)		(748.1)	
Transfer, net	675.6	6.0	603.5	5.9	570.6	5.5
Landfill	2,506.7		2,298.1		2,324.2	
Less: intercompany	(1,092.8)		(1,018.5)		(1,024.1)	
Landfill, net	1,413.9	12.5	1,279.6	12.6	1,300.1	12.6
Environmental solutions	202.5	1.8	127.7	1.3	191.7	1.9
Other:						
Recycling processing and commodity sales	420.5	3.7	297.1	2.9	273.3	2.7
Other non-core	274.0	2.4	229.5	2.3	226.1	2.2
Total other	694.5	6.1	526.6	5.2	499.4	4.9
Total revenue	\$ 11,295.0	100.0 %	\$ 10,153.6	100.0 %	\$ 10,299.4	100.0 %

Other non-core revenue consists primarily of revenue from National Accounts, which represents the portion of revenue generated from nationwide or regional contracts in markets outside our operating areas where the associated material handling is subcontracted to local operators. Consequently, substantially all of this revenue is offset with related subcontract costs, which are recorded in cost of operations.

The factors that impact the timing and amount of revenue recognized for each service line may vary based on the nature of the service performed. Generally, we recognize revenue at the time we perform a service. In the event that we bill for services in advance of performance, we recognize deferred revenue for the amount billed and subsequently recognize revenue at the time the service is provided. Depending upon the nature of the contract, we may also generate revenue through the collection of fuel recovery fees and environmental fees which are designed to recover our internal costs of providing services to our customers.

See Note 15, *Segment Reporting*, for additional information regarding revenue by reportable segment.

Revenue by Service Line

Collection Services

Our collection business involves the collection of material for transport to transfer stations, or directly to landfills or recycling processing centers. Our collection services business includes both recurring and temporary customer relationships. Our standard contract duration is three years, although some of our exclusive franchises are for significantly longer periods. The fees received for collection services are based primarily on the market, collection frequency, type of service, type and volume or weight of the material collected, the distance to the disposal facility and the cost of disposal.

In general, small-container and residential collection fees are billed monthly or quarterly in advance. Substantially all of the deferred revenue recognized as of December 31, 2020 was recognized as revenue during the year ended December 31, 2021 when the service was performed. Our large-container customers are typically billed on a monthly basis based on the nature of the services provided during the period.

Revenue recognized under these agreements is variable in nature based on the number of residential homes or businesses serviced during the period, the frequency of collection and the volume of material collected. In addition, certain of our contracts have annual price escalation clauses that are tied to changes in an underlying base index such as a consumer price index which are unknown at contract inception.

REPUBLIC SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Transfer Services

Revenue at our transfer stations is primarily generated by charging tipping or disposal fees. The fees received for transfer services are based primarily on the market, type and volume or weight of the material accepted, the distance to the disposal facility and the cost of disposal. In general, fees are billed and revenue is recognized at the time the service is performed. Revenue recognized under these agreements is variable in nature based on the volume and nature of the material accepted at the transfer station.

Landfill Services

Revenue at our landfills is primarily generated by charging tipping fees to third parties based on the volume disposed and the nature of the waste. In general, fees are variable in nature and revenue is recognized at the time the waste is disposed at the facility.

Environmental Solutions

Environmental solutions revenue is primarily generated from the fees we charge for the disposal of hazardous and non-hazardous solid and liquid material and in-plant services, such as transportation and logistics, including at our transfer, storage and disposal facilities (TSDF). Activity for this service line varies across markets and reflects the regulatory environment, pricing and disposal alternatives available in any given market. Revenue recognized under these agreements is variable in nature and primarily based on the volume of waste accepted or processed during the period.

Recycling Processing and Commodity Sales

Our recycling processing centers generate revenue through the processing and sale of old corrugated cardboard (OCC), old newsprint (ONP), aluminum, glass and other materials at market prices. In certain instances, we issue recycling rebates to our municipal or large-container customers, which can be based on the price we receive upon the final sale of recycled commodities, a fixed contractual rate or other measures. We also receive rebates when we dispose of recycled commodities at third-party facilities. The fees received are based primarily on the market, type and volume or weight of the materials sold. In general, fees are billed and revenue is recognized at the time title is transferred. Revenue recognized under these agreements is variable in nature based on the volume and type of materials sold. In addition, the amount of revenue recognized is based on commodity prices at the time of sale, which are unknown at contract inception.

Revenue Recognition

Our service obligations of a long-term nature, e.g., certain collection service contracts, are satisfied over time, and we recognize revenue based on the value provided to the customer during the period. The amount billed to the customer is based on variable elements such as the number of residential homes or businesses for which collection services are provided, the volume of material collected, transported and disposed, and the nature of the material accepted. We do not disclose the value of unsatisfied performance obligations for these contracts as our right to consideration corresponds directly to the value provided to the customer for services completed to date and all future variable consideration is allocated to wholly unsatisfied performance obligations.

Additionally, certain elements of our long-term customer contracts are unknown upon entering into the contract, including the amount that will be billed in accordance with annual price escalation clauses, our fuel recovery fee program and commodity prices. The amount to be billed is often tied to changes in an underlying base index such as a consumer price index or a fuel or commodity index, and revenue can be recognized once the index is established for the period.

Deferred Contract Costs

We incur certain upfront payments to acquire customer contracts which are recognized as other assets in our consolidated balance sheet, and we amortize the asset over the respective contract life. In addition, we recognize sales commissions that represent an incremental cost of the contract as other assets in our consolidated balance sheet, and we amortize the asset over the average life of the customer relationship. As of December 31, 2021 and 2020, we recognized \$80.6 million and \$82.3 million, respectively, of deferred contract costs and capitalized sales commissions. During the years ended December 31, 2021 and 2020, we amortized \$12.5 million and \$12.2 million, respectively, of capitalized sales commissions to selling, general and administrative expenses, and \$6.4 million and \$6.5 million, respectively, of other deferred contract costs as a reduction of revenue.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

17. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) BY COMPONENT

A summary of changes in accumulated other comprehensive income, net of tax, by component, for the years ended December 31, 2021, 2020 and 2019 follows:

	Cash Flow Hedges	Defined Benefit Pension Plan	Total
Balance as of December 31, 2018	\$ 16.1	\$ 14.7	\$ 30.8
Other comprehensive loss before reclassifications	(30.2)	(2.5)	(32.7)
Amounts reclassified from accumulated other comprehensive loss	1.0		1.0
Net current-period other comprehensive loss	(29.2)	(2.5)	(31.7)
Adoption of accounting standard	(0.6)	3.7	3.1
Balance as of December 31, 2019	(13.7)	15.9	2.2
Other comprehensive (loss) income before reclassifications	(22.5)	2.1	(20.4)
Amounts reclassified from accumulated other comprehensive loss	5.8	—	5.8
Net current-period other comprehensive (loss) income	(16.7)	2.1	(14.6)
Balance as of December 31, 2020	(30.4)	18.0	(12.4)
Other comprehensive income before reclassifications		(5.8)	(5.8)
Amounts reclassified from (income) loss	4.6	(1.0)	3.6
Net current-period other comprehensive loss (income)	4.6	(6.8)	(2.2)
Balance as of December 31, 2021	\$ (25.8)	\$ 11.2	\$ (14.6)

A summary of reclassifications out of accumulated other comprehensive income (loss) for the years ended December 31, 2021, 2020 and 2019 follows:

Details about Accumulated Other Comprehensive Income (Loss) Components	Amount Reclassified from Accumulated Other Comprehensive Income (Loss)			Affected Line Item in the Statement Where Net Income is Presented
	2021	2020	2019	
Loss on cash flow hedges:				
Terminated interest rate locks	\$ (6.2)	\$ (7.9)	\$ (1.4)	Interest expense
Tax benefit	1.6	2.1	0.4	
Net of tax	(4.6)	(5.8)	(1.0)	
Pension gains:				
Pension settlement	1.3	—	—	Other income
Tax expense	(0.3)	—	—	
Net of tax	1.0	—	—	
Total loss reclassified into earnings, net of tax	\$ (3.6)	\$ (5.8)	\$ (1.0)	

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

18. FINANCIAL INSTRUMENTS

The effect of our derivative instruments in fair value and cash flow hedging relationships on the consolidated statements of income for the years ended December 31, 2021, 2020 and 2019 follows (in millions):

	Classification and Amount of Gain (Loss) Recognized in Income on Fair Value and Cash Flow Hedging Relationships		
	2021	2020	2019
	Interest Expense	Interest Expense	Interest Expense
Total amounts of expense line items presented in the consolidated statements of income in which the effects of fair value or cash flow hedges are recorded	\$ (314.6)	\$ (355.6)	\$ (392.0)
The effects of fair value and cash flow hedging relationships in Subtopic 815-20:			
Gain (loss) on fair value hedging relationships:			
Interest rate swaps:			
Net swap settlements	\$ 7.9	\$ 5.7	\$ 1.0
Net periodic (loss) earnings	\$ (0.1)	\$ 2.0	\$ 0.6
Effect of de-designation	\$ —	\$ 4.7	\$ —
Gain (loss) on cash flow hedging relationships:			
Interest rate swap locks:			
Amount of loss reclassified from accumulated other comprehensive loss into income, net of tax	\$ (4.6)	\$ (5.8)	\$ (1.0)
The effects of derivative instruments not in Subtopic 815-20:			
Loss on free-standing derivative instruments:			
Interest rate swaps:			
Loss on change in fair value of free-standing derivative instruments	\$ (4.4)	\$ (0.1)	\$ —
Interest rate contract:			
Net loss on change in fair value of free-standing derivative instruments	\$ (0.3)	\$ (2.7)	\$ (0.5)

Fair Value Measurements

In measuring fair values of assets and liabilities, we use valuation techniques that maximize the use of observable inputs (Level 1) and minimize the use of unobservable inputs (Level 3). We also use market data or assumptions that we believe market participants would use in pricing an asset or liability, including assumptions about risk when appropriate.

The carrying value for certain of our financial instruments, including cash, accounts receivable, accounts payable and certain other accrued liabilities, approximates fair value because of their short-term nature.

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

As of December 31, 2021 and 2020, our assets and liabilities that are measured at fair value on a recurring basis include the following:

	December 31, 2021				
	Carrying Amount	Total	Fair Value		
			Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:					
Money market mutual funds	\$ 35.2	\$ 35.2	\$ 35.2	\$ —	\$ —
Bonds - restricted cash and marketable securities and other assets	63.1	63.1	—	63.1	—
Interest rate swaps - other assets	4.7	4.7	—	4.7	—
Other derivative assets - other assets	15.0	15.0	—	15.0	—
Total assets	<u>\$ 118.0</u>	<u>\$ 118.0</u>	<u>\$ 35.2</u>	<u>\$ 82.8</u>	<u>\$ —</u>
Liabilities:					
Other derivative liabilities - other long-term liabilities	\$ 50.7	\$ 50.7	\$ —	\$ 50.7	\$ —
Contingent consideration - other accrued liabilities and other long-term liabilities	68.8	68.8	—	—	68.8
Total liabilities	<u>\$ 119.5</u>	<u>\$ 119.5</u>	<u>\$ —</u>	<u>\$ 50.7</u>	<u>\$ 68.8</u>
	December 31, 2020				
	Carrying Amount	Total	Fair Value		
			Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:					
Money market mutual funds	\$ 32.3	\$ 32.3	\$ 32.3	\$ —	\$ —
Bonds - restricted cash and marketable securities and other assets	73.8	73.8	—	73.8	—
Interest rate swaps - other assets	10.0	10.0	—	10.0	—
Other derivative assets - other assets	63.8	63.8	—	63.8	—
Total assets	<u>\$ 179.9</u>	<u>\$ 179.9</u>	<u>\$ 32.3</u>	<u>\$ 147.6</u>	<u>\$ —</u>
Liabilities:					
Other derivative liabilities - other long-term liabilities	\$ 103.0	\$ 103.0	\$ —	\$ 103.0	\$ —
Contingent consideration - other accrued liabilities and other long-term liabilities	70.6	70.6	—	—	70.6
Total liabilities	<u>\$ 173.6</u>	<u>\$ 173.6</u>	<u>\$ —</u>	<u>\$ 103.0</u>	<u>\$ 70.6</u>

Total Debt

As of December 31, 2021 and 2020, the carrying value of our total debt was \$9.6 billion and \$8.9 billion, respectively, and the fair value of our total debt was \$10.3 billion and \$10.0 billion, respectively. The estimated fair value of our fixed rate senior notes and debentures is based on quoted market prices. The fair value of our remaining notes payable, tax-exempt financings and borrowings under our credit facilities approximates the carrying value because the interest rates are variable. The fair value estimates are based on Level 2 inputs of the fair value hierarchy as of December 31, 2021 and 2020. See Note 9, *Debt*, for further information related to our debt.

Contingent Consideration

In April 2015, we entered into a waste management contract with the County of Sonoma, California to operate the county's waste management facilities. As of December 31, 2021, the Sonoma contingent consideration represents the fair value of \$62.3 million payable to the County of Sonoma based on the achievement of future annual tonnage targets through the expected remaining capacity of the landfill. The potential undiscounted amount of all future contingent payments that we could be

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

required to make under the waste management contract is estimated to be between approximately \$77 million and \$95 million. During 2021, the activity in the contingent consideration liability included accretion, which was offset by concession payments made in the ordinary course of business. There were no changes to the estimate of fair value.

19. COMMITMENTS AND CONTINGENCIES**Legal Proceedings**

We are subject to extensive and evolving laws and regulations and have implemented safeguards to respond to regulatory requirements. In the normal course of our business, we become involved in legal proceedings. Some may result in fines, penalties or judgments against us, or settlements, which may impact earnings and cash flows for a particular period. Although we cannot predict the ultimate outcome of any legal matter with certainty, we do not believe the outcome of any of our pending legal proceedings will have a material adverse impact on our consolidated financial position, results of operations or cash flows.

As used herein, the term *legal proceedings* refers to litigation and similar claims against us and our subsidiaries, excluding: (1) ordinary course accidents, general commercial liability and workers' compensation claims, which are covered by insurance programs, subject to customary deductibles, and which, together with insured employee health care costs, are discussed in Note 7, *Other Liabilities*; and (2) environmental remediation liabilities, which are discussed in Note 8, *Landfill and Environmental Costs*.

We accrue for legal proceedings when losses become probable and reasonably estimable. We have recorded an aggregate accrual of approximately \$11 million relating to our outstanding legal proceedings as of December 31, 2021. As of the end of each applicable reporting period, we review each of our legal proceedings and, where it is probable that a liability has been incurred, we accrue for all probable and reasonably estimable losses. Where we can reasonably estimate a range of losses we may incur regarding such a matter, we record an accrual for the amount within the range that constitutes our best estimate. If we can reasonably estimate a range but no amount within the range appears to be a better estimate than any other, we use the amount that is the low end of such range. If we had used the high ends of such ranges, our aggregate potential liability would be approximately \$3 million higher than the amount recorded as of December 31, 2021.

Unconditional Purchase Commitments**Royalties**

We have entered into agreements to pay royalties to prior landowners or host communities, based on, among other things, revenue received and waste tonnage disposed at specified landfills. These royalties are generally payable quarterly and amounts incurred, but not paid, are accrued in our consolidated balance sheets. Royalties are accrued as revenue is received or tonnage is disposed of, as applicable, in the landfills.

Disposal Agreements

We have several agreements that require us to dispose of a minimum number of tons at third-party disposal facilities. Under these put-or-pay agreements, we must pay for agreed-upon minimum volumes regardless of the actual number of tons placed at the facilities.

Our unconditional purchase commitments have varying expiration dates, with some extending through the remaining life of the respective landfill. Future minimum payments under unconditional purchase commitments, consisting primarily of (1) disposal related agreements, which include fixed or minimum royalty payments, host agreements, and take-or-pay and put-or-pay agreements, and (2) other obligations including committed capital expenditures and consulting service agreements as of December 31, 2021 are as follows:

2022	\$	142.6
2023		107.3
2024		81.8
2025		58.1
2026		34.8
Thereafter		347.7
	\$	<u>772.3</u>

REPUBLIC SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Cash and Cash Equivalents and Restricted Cash and Marketable Securities

Restricted cash and restricted cash equivalents are included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statements of cash flows. Beginning-of-period and end-of-period cash, cash equivalents, restricted cash and restricted cash equivalents as presented in the statements of cash flows are reconciled as follows:

	December 31, 2021	December 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 29.0	\$ 38.2	\$ 47.1
Restricted cash and marketable securities	139.0	149.1	179.4
Less: restricted marketable securities	(62.4)	(73.1)	(49.1)
Cash, cash equivalents, restricted cash and restricted cash equivalents	\$ 105.6	\$ 114.2	\$ 177.4

Our restricted cash and marketable securities include, among other things, restricted cash related to proceeds from the issuance of tax-exempt bonds that will be used to fund qualifying landfill-related expenditures in the Commonwealth of Pennsylvania, restricted cash and marketable securities pledged to regulatory agencies and governmental entities as financial guarantees of our performance under certain collection, landfill and transfer station contracts and permits, and relating to our final capping, closure and post-closure obligations at our landfills, and restricted cash and marketable securities related to our insurance obligations.

The following table summarizes our restricted cash and marketable securities as of December 31:

	2021	2020
Financing proceeds	\$ 12.4	\$
Capping, closure and post-closure obligations	42.4	31.5
Insurance	84.2	117.6
Total restricted cash and marketable securities	\$ 139.0	\$ 149.1

We must provide financial assurance to governmental agencies and a variety of other entities under applicable environmental regulations relating to our landfill operations for capping, closure and post-closure costs, and our performance under certain collection, landfill and transfer station contracts. We satisfy our financial assurance requirements by providing surety bonds, letters of credit, insurance policies or trust deposits. The amount of the financial assurance requirements for capping, closure and post-closure costs is determined by applicable state environmental regulations, which vary by state. The financial assurance requirements for capping, closure and post-closure costs can either be for costs associated with a portion of the landfill or the entire landfill. Generally, states will require a third-party engineering specialist to determine the estimated capping, closure and post-closure costs that are used to determine the required amount of financial assurance for a landfill. The amount of financial assurance required can, and generally will, differ from the obligation determined and recorded under U.S. GAAP. The amount of the financial assurance requirements related to contract performance varies by contract. Additionally, we are required to provide financial assurance for our insurance program and collateral for certain performance obligations.

We had the following financial instruments and collateral in place to secure our financial assurances as of December 31:

	2021	2020
Letters of credit	\$ 465.5	\$ 474.2
Surety bonds	\$ 3,950.2	\$ 3,580.7

We had \$341.9 million and \$376.5 million of letters of credit outstanding under our Credit Facility as of December 31, 2021 and 2020, respectively. Surety bonds subject to expiration will expire on various dates through 2029.

These financial instruments are issued in the normal course of business and are not classified as debt. Because we currently have no liability for this financial assurance, it is not reflected in our consolidated balance sheets. However, we have recorded capping, closure and post-closure obligations and insurance reserves as they are incurred.

We own a 19.9% interest in a company that, among other activities, issues financial surety bonds to secure capping, closure and post-closure obligations for companies operating in the environmental services industry. We account for this investment using an alternative measurement approach. There have been no identified events or changes in circumstances that may have a significant adverse effect on the recoverability of this investment. This investee company and the parent company of the investee had written surety bonds for us relating primarily to our landfill operations for capping, closure and post-closure, of

which \$1,435.3 million were outstanding as of December 31, 2021. Our reimbursement obligations under these bonds are secured by an indemnity agreement with the investee and a surety bond.

Off-Balance Sheet Arrangements

We have no off-balance sheet debt or similar obligations, other than short-term operating leases and financial assurances, which are not classified as debt. We have no transactions or obligations with related parties that are not disclosed, consolidated into or reflected in our reported financial position or results of operations. We have not guaranteed any third-party debt.

Guarantees

We enter into contracts in the normal course of business that include indemnification clauses. Indemnifications relating to known liabilities are recorded in the consolidated financial statements based on our best estimate of required future payments. Certain of these indemnifications relate to contingent events or occurrences, such as the imposition of additional taxes due to a change in the tax law or adverse interpretation of the tax law, and indemnifications made in divestiture agreements where we indemnify the buyer for liabilities that relate to our activities prior to the divestiture and that may become known in the future. We do not believe that these contingent obligations will have a material effect on our consolidated financial position, results of operations or cash flows.

We have entered into agreements with property owners to guarantee the value of property that is adjacent to certain of our landfills. These agreements have varying terms. We do not believe that these contingent obligations will have a material effect on our consolidated financial position, results of operations or cash flows.

Other Matters

Our business activities are conducted in the context of a developing and changing statutory and regulatory framework. Governmental regulation of the environmental services industry requires us to obtain and retain numerous governmental permits to conduct various aspects of our operations. These permits are subject to revocation, modification or denial. The costs and other capital expenditures that may be required to obtain or retain the applicable permits or comply with applicable regulations could be significant. Any revocation, modification or denial of permits could have a material adverse effect on us.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

REPORT OF MANAGEMENT ON REPUBLIC SERVICES, INC.'S INTERNAL CONTROL OVER FINANCIAL REPORTING

We, as members of management of Republic Services, Inc., are responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, our internal control systems and procedures may not prevent or detect misstatements. An internal control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

We, under the supervision of and with the participation of our management, including the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2021, based on criteria for effective internal control over financial reporting described in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on

this assessment, we concluded that we maintained effective internal control over financial reporting as of December 31, 2021, based on the specified criteria.

Our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their attestation report which is included herein.

Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e), and 15d-15(e)) as of the end of the period covered by this Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Annual Report.

Changes in Internal Control Over Financial Reporting

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, there has been no change in our internal control over financial reporting during the quarter ended December 31, 2021 identified in connection with that evaluation, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

In May 2021, we acquired all of the issued and outstanding equity interests of Santek Waste Services, LLC and, in August 2021, we acquired all of the issued and outstanding shares of ACV Enviro Corporation. As permitted by the SEC Staff interpretive guidance for newly acquired businesses, management's assessment of our internal control over financial reporting as of December 31, 2021 did not include an assessment of internal control over financial reporting as it relates to these acquisitions. We will continue the process of implementing internal controls over financial reporting for these acquired businesses. As of December 31, 2021, these businesses contributed less than 2% of revenue to our audited consolidated financial statements for the year ended December 31, 2021.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this item is incorporated by reference to the material appearing under the headings Proposal 1 - Election of Directors, Biographical Information Regarding Directors/Nominees, Board of Directors and Corporate Governance Matters, Delinquent Section 16(a) Reports, and Executive Officers in the Proxy Statement for the 2022 Annual Meeting of Shareholders.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item is incorporated by reference to the material appearing under the headings Executive Compensation and Director Compensation in the Proxy Statement for the 2022 Annual Meeting of Shareholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this item is incorporated by reference to the material appearing under the headings Security Ownership of Five Percent Shareholders and Security Ownership of the Board of Directors and Management in the Proxy Statement for the 2022 Annual Meeting of Shareholders.

The following table sets forth certain information regarding equity compensation plans as of December 31, 2021 (number of securities in millions):

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options and Rights ^(b)	Weighted Average Exercise Price of Outstanding Options and Rights ^(c)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in the first column) ^(d)
Equity compensation plans approved by security holders ^(a)	1.6	\$ 132.48	30.5
Equity compensation plans not approved by security holders	—	—	—
Total	1.6	\$ 132.48	30.5

- (a) Includes our 2006 Plan, Amended and Restated 2007 Stock Incentive Plan, our 2018 Employee Stock Purchase Plan (ESPP), and our 2021 Stock Incentive Plan.
- (b) Includes zero stock options as all were exercised in 2020, 1.1 million shares underlying restricted stock units, 0.5 million shares underlying performance shares, and less than 0.1 million shares underlying purchase rights that accrue under the ESPP.
- (c) Excludes restricted stock units and performance shares as these awards do not have exercise prices.
- (d) The shares remaining available for future issuances include 12.3 million shares under our 2021 Stock Incentive Plan and 2.6 million shares under our ESPP. No further awards will be granted under the Amended and Restated 2007 Stock Incentive Plan after December 31, 2020.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item is incorporated by reference to the material appearing under the headings Board of Directors and Corporate Governance Matters and Certain Relationships and Related Party Transactions in the Proxy Statement for the 2022 Annual Meeting of Shareholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by this item is incorporated by reference to the material appearing under the heading Audit and Related Fees in the Proxy Statement for the 2022 Annual Meeting of Shareholders.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

1. Financial Statements

Our consolidated financial statements are set forth under Part II, Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules

All schedules are omitted as the required information is not applicable or the information is presented in the consolidated financial statements and notes thereto in Part II, Item 8 of this Annual Report on Form 10-K.

3. Exhibits

The following exhibits are filed herewith or are incorporated by reference to exhibits previously filed with the SEC, as indicated in the description of each, File No. 1-14267 in the case of Republic and File No. 1-14705 and No. 0-19285 in the case of Allied, and File No. 1-06805 in the case of Browning-Ferris Industries, Inc.

<u>Exhibit Number</u>	<u>Description</u>
<u>3.1</u>	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the period ended June 30, 1998).
<u>3.2</u>	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Republic Services, Inc. (incorporated by reference to Exhibit 4.2 of the Company's Registration Statement on Form S-8, Registration No. 333-81801, filed with the Commission on June 29, 1999).
<u>3.3</u>	Amended and Restated Bylaws of Republic Services, Inc. (incorporated by reference to Exhibit 3.3 of the Company's Current Report on Form 8-K dated May 6, 2016).
<u>4.1</u>	Republic Services, Inc. Common Stock Certificate (incorporated by reference to Exhibit 4.4 of the Company's Registration Statement on Form S-8, Registration No. 333-81801, filed with the Commission on June 29, 1999).
<u>4.2</u>	Indenture, dated as of August 15, 2001 between Republic Services, Inc. and The Bank of New York, as trustee, including the form of notes (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed August 16, 2001).
<u>4.3</u>	Second Supplemental Indenture, dated as of March 21, 2005, to the Indenture dated as of August 15, 2001, by and between Republic Services, Inc. and The Bank of New York, as trustee, including the form of 6.086% Note due March 15, 2035 (incorporated by reference to Exhibit 4.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005).
<u>4.4</u>	Indenture, dated as of September 8, 2009, by and between Republic Services, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated September 9, 2009).
<u>4.5</u>	Third Supplemental Indenture, dated as of May 9, 2011, to the Indenture dated as of September 8, 2009, by and among Republic Services, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee, including the form of 4.750% Notes due 2023 (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated May 9, 2011).
<u>4.6</u>	Fourth Supplemental Indenture, dated as of May 9, 2011, to the Indenture dated as of September 8, 2009, by and among Republic Services, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee, including the form of 5.700% Notes due 2041 (incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K dated May 9, 2011).
<u>4.7</u>	Indenture, dated as of November 25, 2009, by and between Republic Services, Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 25, 2009).
<u>4.8</u>	Third Supplemental Indenture, dated as of March 4, 2010, to the Indenture dated as of November 25, 2009, by and among Republic Services, Inc., the guarantors named therein and U.S. Bank National Association, as trustee, including the form of 6.20% Notes due 2040 (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated March 4, 2010).
<u>4.9</u>	Indenture, dated as of May 21, 2012, by and between Republic Services, Inc. and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated May 21, 2012).

<u>Exhibit Number</u>	<u>Description</u>
<u>4.10</u>	Restated Indenture, dated as of September 1, 1991, by and between Browning-Ferris Industries, Inc. and First City, Texas-Houston, National Association, as trustee (incorporated by reference to Exhibit 4.22 of Allied's Registration Statement on Form S-4/A (No. 333-61744)).
<u>4.11</u>	First Supplemental Indenture, dated as of July 30, 1999, to the Restated Indenture dated as of September 1, 1991, by and among Allied Waste Industries, Inc., Allied Waste North America, Inc., Browning-Ferris Industries, Inc. and Chase Bank of Texas, National Association, as trustee (incorporated by reference to Exhibit 4.23 of Allied's Registration Statement on Form S-4/A (No. 333-61744)).
<u>4.12</u>	First [sic] Supplemental Indenture, dated as of December 31, 2004, to the Restated Indenture dated as of September 1, 1991, by and among Browning-Ferris Industries, Inc., BBCO, Inc. and JP Morgan Chase Bank, National Association as trustee (incorporated by reference to Exhibit 4.33 of Allied's Annual Report on Form 10-K for the year ended December 31, 2004).
<u>4.13</u>	Third Supplemental Indenture, dated as of December 5, 2008, to the Restated Indenture dated as of September 1, 1991, by and among Allied Waste Industries, Inc., Allied Waste North America, Inc., Browning-Ferris Industries, L.L.C (successor to Browning-Ferris Industries, Inc.), BBCO, Inc., Republic Services, Inc., the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated December 10, 2008).
<u>4.14</u>	Fourth Supplemental Indenture, dated as of March 11, 2015, to the Indenture, dated as of November 25, 2009, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 3.20% Notes due 2025 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated March 11, 2015).
<u>4.15</u>	Fifth Supplemental Indenture, dated as of July 5, 2016, to the Indenture, dated as of November 25, 2009, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.900% Notes due 2026 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated July 5, 2016).
<u>4.16</u>	Sixth Supplemental Indenture, dated as of November 16, 2017, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 3.375% Notes due 2027 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 15, 2017).
<u>4.17</u>	Form of Browning-Ferris Industries, Inc. 7.4% Debentures due 2035 (incorporated by reference to Exhibit 4 of Browning-Ferris Industries, Inc.'s Current Report on Form 8-K dated September 15, 1995).
<u>4.18</u>	Credit Agreement, dated as of June 8, 2018, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated June 11, 2018).
<u>4.19</u>	Amendment No.1, dated as of May 18, 2020, to Credit Agreement, dated as of June 8, 2018, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated May 21, 2020).
<u>4.20</u>	Amendment No. 2, dated as of July 14, 2020, to Credit Agreement, dated as of June 8, 2018, as amended, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated July 17, 2020).
<u>4.21</u>	Amendment No. 3, dated as of August 25, 2020, to Credit Agreement, dated as of June 8, 2018, as amended, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K dated August 27, 2020).
<u>4.22</u>	Credit Agreement, dated as of August 25, 2020, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated August 27, 2020).
<u>4.23</u>	Seventh Supplemental Indenture, dated as of May 14, 2018, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 3.950% Notes due 2028 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated May 3, 2018).
<u>4.24</u>	Limited consent (2018 Credit Agreement), dated as of August 21, 2019, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and an L/C Issuer, and the lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019).
<u>4.25</u>	Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.23 of the Company's Annual Report on Form 10-K for the year ended December 31, 2019).

<u>Exhibit Number</u>	<u>Description</u>
<u>4.26</u>	Eighth Supplemental Indenture, dated as of August 7, 2019, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.500% Notes due 2024 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated August 1, 2019).
<u>4.27</u>	Ninth Supplemental Indenture, dated as of February 27, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.300% Notes due 2030 and the form of 3.050% Notes due 2050 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated February 21, 2020).
<u>4.28</u>	Tenth Supplemental Indenture, dated as of August 20, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 1.450% Notes due 2031 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated August 13, 2020).
<u>4.29</u>	Eleventh Supplemental Indenture, dated as of November 24, 2020, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 0.875% Notes due 2025 and the form of 1.750% Notes due 2032 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 12, 2020).
<u>4.30</u>	Amended and Restated Credit Agreement, dated as of August 17, 2021, by and among Republic Services, Inc., as Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other lenders party thereto (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated August 23, 2021).
<u>4.31</u>	Twelfth Supplemental Indenture, dated as of November 8, 2021, between Republic Services, Inc. and U.S. Bank National Association, as trustee, including the form of 2.375% Notes due 2033 (incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated November 4, 2021).
<u>10.1+</u>	Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan effective May 12, 2011 (incorporated by reference to Appendix A of the Company's Proxy Statement on Schedule 14A filed on April 1, 2011).
<u>10.2+</u>	Republic Services, Inc. Executive Incentive Plan, as amended and restated effective October 26, 2020 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020).
<u>10.3+</u>	Form of Employee Restricted Stock Unit Agreement under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated December 27, 2011).
<u>10.4+</u>	Form of Non-Employee Director Restricted Stock Unit Agreement (annual vesting) under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated December 27, 2011).
<u>10.5+</u>	Form of Non-Employee Director Restricted Stock Unit Agreement (3 year vesting) under the Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan (for awards on or after December 27, 2011) (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K dated December 27, 2011).
<u>10.6+</u>	Republic Services, Inc. Deferred Compensation Plan, as amended and restated effective January 1, 2010 (incorporated by reference to Exhibit 4.4 of the Company's Registration Statement on Form S-8, Registration No. 333-170174, filed with the SEC on October 27, 2010).
<u>10.7+</u>	Amendment No. 1 to Republic Services, Inc. Deferred Compensation Plan, effective January 6, 2011 (incorporated by reference to Exhibit 10.17 of the Company's Annual Report on Form 10-K for the year ended December 31, 2010).
<u>10.8+</u>	Republic Services, Inc. Amended and Restated Executive Incentive Plan, effective February 4, 2014 (incorporated by reference to Appendix A of the Company's Proxy Statement on Schedule 14A filed on March 26, 2014).
<u>10.9+</u>	Employment Agreement, effective as of October 29, 2013, by and between Republic Services, Inc. and Donald W. Slager (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013).
<u>10.10+</u>	Amended and Restated Employment Agreement, effective December 8, 2008, by and between Jeffrey A. Hughes and Republic Services, Inc. (incorporated by reference to Exhibit 10.61 of the Company's Annual Report on Form 10-K for the year ended December 31, 2012).
<u>10.11+</u>	Republic Services, Inc. Executive Separation Policy, as amended as of March 29, 2012 (incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012).

<u>Exhibit Number</u>	<u>Description</u>
<u>10.12+</u>	Amendment No. 2 to Republic Services, Inc. Deferred Compensation Plan, effective February 7, 2012 (incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012).
<u>10.13+</u>	Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan effective May 9, 2013 (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013).
<u>10.14+</u>	Amendment No. 3 to Republic Services, Inc. Deferred Compensation Plan, effective October 29, 2013 (incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013).
<u>10.15+</u>	Clawback Policy, dated October 29, 2014 (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated October 30, 2014).
<u>10.16+</u>	First Amendment to the Employment Agreement, dated December 23, 2014, by and between Donald W. Slager and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated December 24, 2014).
<u>10.17+</u>	Form of Performance Share Agreement, adopted January 7, 2015 (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K dated January 9, 2015).
<u>10.18+</u>	Form of Employee Restricted Stock Unit Agreement - Senior Executive, adopted January 7, 2015 (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated January 9, 2015).
<u>10.19+</u>	Amendment No. 4 to Republic Services, Inc. Deferred Compensation Plan, effective January 1, 2015 (incorporated by reference to Exhibit 10.53 of the Company's Annual Report on Form 10-K for the year ended December 31, 2014).
<u>10.20+</u>	Offer Letter, dated July 25, 2016, by and between Catharine D. Ellingsen and Republic Services, Inc. (incorporated by reference to Exhibit 10.37 of the Company's Annual Report on Form 10-K dated February 16, 2017).
<u>10.21+</u>	Non-Competition, Non-Solicitation, Confidentiality and Arbitration Agreement, effective June 13, 2016, by and between Catharine D. Ellingsen and Republic Services, Inc. (incorporated by reference to Exhibit 10.38 of the Company's Annual Report on Form 10-K dated February 16, 2017).
<u>10.22+</u>	Republic Services, Inc. 2018 Employee Stock Purchase Plan (incorporated by reference to Annex A of the Company's Proxy Statement on Schedule 14A filed on March 29, 2018).
<u>10.23+</u>	Offer Letter, dated April 29, 2019, by and between Jon Vander Ark and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019).
<u>10.24+</u>	Offer Letter, dated April 29, 2019, by and between Timothy Stuart and Republic Services, Inc. (incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019).
<u>10.25+</u>	Non-Competition, Non-Solicitation, Confidentiality and Arbitration Agreement, effective May 1, 2019, by and between Timothy Stuart and Republic Services, Inc. (incorporated by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019).
<u>10.26+</u>	Offer letter, dated May 29, 2020, by and between Brian DelGhiaccio and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020).
<u>10.27+</u>	Non-Competition, Non-Solicitation, and Confidentiality Agreement, effective June 1, 2020, by and between Brian DelGhiaccio and Republic Services, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020).
<u>10.28+</u>	Offer letter, dated March 26, 2021, by and between Jon Vander Ark and Republic Services, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021).
<u>10.29+</u>	Non-Competition, Non-Solicitation, Confidentiality, and Arbitration Agreement, effective June 25, 2021, by and between Jon Vander Ark and Republic Services, Inc. (incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021).
<u>10.30+</u>	Transition Agreement, effective March 26, 2021, by and between Donald W. Slager and Republic Services, Inc. (incorporated by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021).
<u>10.31+</u>	Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.30 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).

<u>Exhibit Number</u>	<u>Description</u>
<u>10.32+</u>	Form of Performance Share Agreement (Executive Officer) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.31 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>10.33+</u>	Form of Performance Share Agreement (Other Executive) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.32 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>10.34+</u>	Form of Performance Share Agreement (Non-Executive Officer EVP) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.33 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>10.35+</u>	Form of Employee Restricted Stock Unit Agreement (Senior Executive) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.34 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>10.36+</u>	Form of Employee Restricted Stock Unit Agreement (Senior Executive, Cliff Vesting) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.35 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>10.37+</u>	Form of Employee Restricted Stock Unit Agreement (Other Employees) under the Republic Services, Inc. 2021 Stock Incentive Plan (incorporated by reference to Exhibit 10.36 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020).
<u>21.1*</u>	Subsidiaries of the Company.
<u>23.1*</u>	Consent of Ernst & Young LLP.
<u>31.1*</u>	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
<u>31.2*</u>	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.
<u>32.1**</u>	Section 1350 Certification of Chief Executive Officer.
<u>32.2**</u>	Section 1350 Certification of Chief Financial Officer.
101.INS*	XBRL Instance Document. - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** This exhibit is being furnished rather than filed, and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

+ Indicates a management or compensatory plan or arrangement.

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, the Company has not filed as exhibits to this Form 10-K certain long-term debt instruments under which the total amount of securities authorized does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY

None.

Subsidiaries and Affiliates

AES Monroe Solar D, LLC
AES Monroe Solar E, LLC
AES Orphan Farm Solar, LLC
AES Rochester Solar, LLC
AES Tonawanda Solar, LLC
AES Wawarsing Solar, LLC
Agricultural Acquisitions, LLC
Agri-Tech, Inc. of Oregon
Agromin OC, LLC
Alabama Recycling Services, Inc.
Albany-Lebanon Sanitation, Inc.
Allied Gas Recovery Systems, L.L.C.
Allied Green Power, LLC
Allied Nova Scotia, Inc.
Allied Remediation Services, Inc.
Allied Research Affiliates, LLC
Allied Services, LLC
Allied Waste Environmental Management Group, LLC
Allied Waste Holdings (Canada) Ltd.
Allied Waste Industries (Arizona), Inc.
Allied Waste Industries of Illinois, Inc.
Allied Waste Industries of Northwest Indiana, Inc.
Allied Waste Industries of Tennessee, Inc.
Allied Waste Industries, LLC
Allied Waste Landfill Holdings, Inc.
Allied Waste Niagara Falls Landfill, LLC
Allied Waste North America, LLC
Allied Waste of California, Inc.
Allied Waste of New Jersey, Inc.
Allied Waste of New Jersey-New York, LLC
Allied Waste Recycling Services of New Hampshire, LLC
Allied Waste Rural Sanitation, Inc.
Allied Waste Services of Colorado, Inc.
Allied Waste Services of Fort Worth, LLC
Allied Waste Services of Massachusetts, LLC
Allied Waste Services of North America, LLC
Allied Waste Services of Page, Inc.
Allied Waste Services of Stillwater, Inc.
Allied Waste Sycamore Landfill, LLC
Allied Waste Systems Holdings, Inc.
Allied Waste Systems of Arizona, LLC
Allied Waste Systems of Colorado, LLC
Allied Waste Systems of Michigan, LLC
Allied Waste Systems of Montana, LLC
Allied Waste Systems of New Jersey, LLC
Allied Waste Systems of Pennsylvania, LLC

Jurisdiction of Formation

Delaware
Delaware
Delaware
Delaware
Delaware
Indiana
Oregon
California
Alabama
Oregon
Delaware
Delaware
Delaware
New Jersey
Delaware
Delaware
Delaware
Arizona
Illinois
Indiana
Tennessee
Delaware
Delaware
New York
Delaware
California
New Jersey
Delaware
Delaware
Delaware
Texas
Massachusetts
Delaware
Idaho
Oklahoma
Delaware
Delaware
Arizona
Colorado
Michigan
Montana
New Jersey
Pennsylvania

Subsidiaries and Affiliates

Allied Waste Systems, Inc.
Allied Waste Transfer Services of Arizona, LLC
Allied Waste Transfer Services of California, LLC
Allied Waste Transfer Services of Florida, LLC
Allied Waste Transfer Services of New York, LLC
Allied Waste Transfer Services of North Carolina, LLC
Allied Waste Transfer Services of Oregon, LLC
Allied Waste Transfer Services of Rhode Island, LLC
Allied Waste Transfer Services of Utah, Inc.
Allied Waste Transportation, Inc.
Allis Medina Solar, LLC
Amaterasu LLC
American Disposal Services of Illinois, Inc.
American Disposal Services of Kansas, Inc.
American Disposal Services of Missouri, Inc.
American Disposal Services of New Jersey, Inc.
American Disposal Services of West Virginia, Inc.
American Disposal Services, Inc.
American Disposal Transfer Services of Illinois, Inc.
American Materials Recycling Corp.
American Sanitation, Inc.
American Transfer Company, Inc.
Anderson Solid Waste, Inc.
Anson County Landfill NC, LLC
Apache Junction Landfill Corporation
APR Walden Solar 1, LLC
Arbor Hills Holdings L.L.C.
Area Disposal Inc.
Ariana, LLC
Aries Venture Investments Company
Assonet Solar 1, LLC
Astro Waste Services, Inc.
Atlantic Waste Holding Company, Inc.
Atlas Transport, Inc.
Attwoods of North America, Inc.
Autauga County Landfill, LLC
Automated Modular Systems, Inc.
Autoshred, Inc.
AWIN Leasing Company, Inc.
AWIN Leasing II, LLC
AWIN Management, Inc.
Bakersfield Industrial PV 1, LLC
Bakersfield PV 1, LLC
Barker Brothers Waste, Incorporated
Barker Brothers, Inc.
Bay Collection Services, Inc.

Jurisdiction of Formation

Delaware
Delaware
California
Florida
New York
North Carolina
Oregon
Delaware
Utah
Delaware
Delaware
Massachusetts
Delaware
Kansas
Oklahoma
Delaware
Delaware
Delaware
Delaware
New Jersey
Idaho
New York
California
Delaware
Arizona
Delaware
Delaware
Illinois
Delaware
Delaware
Delaware
Maine
Massachusetts
California
Delaware
Alabama
New Jersey
Missouri
Delaware
Ohio
Delaware
California
California
Tennessee
Tennessee
California

Subsidiaries and Affiliates

BFI Waste Systems of North America, LLC
BFI Waste Systems of Oklahoma, LLC
BFI Waste Systems of Tennessee, LLC
BFI Waste Systems of Virginia, LLC
Bio-Med of Oregon, Inc.
Blackhorse Farm Solar, LLC
Bloomington Haulers, LLC
Blue Mountain Recycling, LLC
Blue Ridge Landfill TX, LP
Boenker Hill, LLC
Bom Ambiente Insurance Company
Bond County Landfill, Inc.
Borrego Landfill, Inc.
Borrow Pit Corp.
Brenham Total Roll-Offs, LP
Brickyard Disposal & Recycling, Inc.
Bridgeton Landfill, LLC
Bridgeton Transfer Station, LLC
Browning-Ferris Industries Chemical Services, Inc.
Browning-Ferris Industries de Mexico, S.A. de C.V.
Browning-Ferris Industries of California, Inc.
Browning-Ferris Industries of Florida, Inc.
Browning-Ferris Industries of Illinois, Inc.
Browning-Ferris Industries of New Jersey, Inc.
Browning-Ferris Industries of New York, Inc.
Browning-Ferris Industries of Ohio, Inc.
Browning-Ferris Industries of Tennessee, Inc.
Browning-Ferris Industries, Inc.
Browning-Ferris Industries, LLC
Browning-Ferris Services, Inc.
Browning-Ferris, Inc.
Brunswick Waste Management Facility, LLC
Bullock Freetown Solar 1, LLC
Bunting Trash Service, Inc.
Butler County Landfill, LLC
BWC Lake Lashaway, LLC
BWC Muddy Brook, LLC
C & C Expanded Sanitary Landfill, LLC
Cactus Waste Systems, LLC
Calvert Trash Service, Incorporated
Calvert Trash Systems, Incorporated
Camelot Landfill TX, LP
Capital Waste & Recycling, Inc.
Capitol Recycling and Disposal, Inc.
Carbon Limestone Landfill, LLC
CC Landfill, Inc.

Jurisdiction of Formation

Delaware
Oklahoma
Delaware
Delaware
Oregon
Rhode Island
Minnesota
Pennsylvania
Delaware
Missouri
Cayman Islands
Delaware
California
Illinois
Delaware
Illinois
Delaware
Delaware
Nevada
Mexico
California
Delaware
Delaware
New Jersey
New York
Delaware
Tennessee
Massachusetts
Delaware
Delaware
Maryland
Delaware
Delaware
Colorado
Delaware
Delaware
Delaware
Michigan
Arizona
Maryland
Maryland
Delaware
New York
Oregon
Ohio
Delaware

Subsidiaries and Affiliates

CECOS International, Inc.
Cefe Landfill TX, LP
Celina Landfill, Inc.
Central Arizona Transfer, Inc.
Central Sanitary Landfill, Inc.
Central Virginia Properties, LLC
Champlin Refuse, Inc.
Charter Evaporation Resource Recovery Systems
Cherokee Run Landfill, Inc.
Chilton Landfill, LLC
Citizens Disposal, Inc.
City-Star Services, Inc.
Clarkston Disposal, Inc.
Clean Venture, Inc.
Clinton County Landfill Partnership
Cocopah Landfill, Inc.
Compactor Rental Systems of Delaware, Inc.
Congress Development Co.
Consolidated Disposal Service, L.L.C.
Consolidated Processing, Inc.
Continental Waste Industries - Gary, Inc.
Continental Waste Industries, L.L.C.
Copper Mountain Landfill, Inc.
Corvallis Disposal Co.
County Disposal (Ohio), Inc.
County Disposal, Inc.
County Environmental Landfill, LLC
County Land Development Landfill, LLC
County Landfill, Inc.
County Line Landfill Partnership
Courtney Ridge Landfill, LLC
Covington Waste, Inc.
Crockett Sanitary Service, Inc.
Cronin Road Solar 1, LLC
Crow Landfill TX, L.P.
Cumberland County Development Company, LLC
CWI of Florida, Inc.
CWI of Illinois, Inc.
CWI of Missouri, Inc.
Cycle Chem, Inc.
D & L Disposal L.L.C.
Delano PV 1, LLC
Delta Container Corporation
Delta Dade Recycling Corp.
Delta Paper Stock, Co.
Delta Resources Corp.

Jurisdiction of Formation

New York
Delaware
Ohio
Arizona
Michigan
Georgia
Minnesota
California
Ohio
Delaware
Michigan
Michigan
Michigan
New Jersey
Indiana
Delaware
Delaware
Illinois
Delaware
Illinois
Indiana
Delaware
Delaware
Oregon
Delaware
Delaware
Ohio
Ohio
Delaware
Indiana
Delaware
Tennessee
California
Delaware
Delaware
Virginia
Florida
Illinois
Missouri
New Jersey
Delaware
California
California
Florida
California
Florida

Subsidiaries and Affiliates

Delta Site Development Corp.
Delta Waste Corp.
Dempsey Waste Systems II, Inc.
Denver RL North, Inc.
Desarrollo del Rancho La Gloria TX, LP
Devens Recycling Center, LLC
Dinverno, Inc.
DTC Management, Inc.
Dunstable Solar 1, LLC
E & P Investment Corporation
Eagle Industries Leasing, Inc.
East Brookfield Main Street Solar LLC
East Chicago Compost Facility, Inc.
ECDC Environmental, L.C.
ECDC Holdings, Inc.
ECOFLO Field Services, LLC
ECOFLO Holding, LLC
ECOFLO Logistics, LLC
ECOFLO Recycling, LLC
ECOFLO Southeast, Inc.
ECOFLO, Inc.
El Centro Landfill, L.P.
Elder Creek Transfer & Recovery, Inc.
Ellis County Landfill TX, LP
Ellis Scott Landfill MO, LLC
Envirocycle, Inc.
Environmental Development Corp.
Environmental Reclamation Company
Environtech, Inc.
EnviroTech Consultants LLC
Envirowaste, LLC
Envotech-Illinois L.L.C.
Evergreen National Indemnity Company
Evergreen Scavenger Service, Inc.
Evergreen Scavenger Service, L.L.C.
F. P. McNamara Rubbish Removal, Inc.
FCR Camden, LLC
FCR Florida, LLC
FCR Greensboro, LLC
FCR Morris, LLC
FCR Tennessee, LLC
FCR, LLC
Finchville Solar, LLC
Fiorito Enterprises, Inc.
Flint Hill Road, LLC
FLL, Inc.

Jurisdiction of Formation

Florida
Florida
Ohio
Colorado
Texas
Massachusetts
Michigan
Indiana
Delaware
Illinois
Michigan
Delaware
Delaware
Utah
Delaware
North Carolina
North Carolina
North Carolina
North Carolina
North Carolina
Maryland
Texas
California
Delaware
Delaware
Florida
Delaware
Illinois
Delaware
New Jersey
Pennsylvania
Delaware
Ohio
Delaware
Delaware
Massachusetts
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Washington
South Carolina
Michigan

Subsidiaries and Affiliates

Foothill Sanitary Landfill, Inc.
Forest View Landfill, LLC
Fort Worth Landfill TX, LP
Forward, Inc.
Founder's Homestead Farm Solar, LLC
Frankfort Environmental Development Company, Inc.
Frontier Waste Services (Colorado), LLC
Frontier Waste Services (Utah), LLC
Frontier Waste Services of Louisiana L.L.C.
Frontier Waste Services, L.P.
G. Van Dyken Disposal Inc.
Galveston County Landfill TX, LP
Gateway Landfill, LLC
GEK, Inc.
General Refuse Rolloff Corp.
General Refuse Service of Ohio, L.L.C.
Georgia Recycling Services, Inc.
GGH North Dakota, LLC
GGWM, LLC
Global Indemnity Assurance Company
Golden Bear Transfer Services, Inc.
Golden Triangle Landfill TX, LP
Golden Waste Disposal, Inc.
Grants Pass Sanitation, Inc.
Great Lakes Disposal Service, Inc.
Great Plains Landfill OK, LLC
Green Valley Landfill General Partnership
Greenridge Reclamation, LLC
Greenridge Waste Services, LLC
Greenwich Solar 1, LLC
Greenwood Landfill TX, LP
Gulf West Landfill TX, LP
Gulfcoast Waste Service, Inc.
H B Data Security, LLC
Hancock County Development Company, LLC
Harland's Sanitary Landfill, Inc.
Harrison County Landfill, LLC
HMD Waste, L.L.C.
Honeygo Run Reclamation Center, Inc.
Hudson Baylor 27th Avenue LLC
Hudson Baylor Atlantic County LLC
Hudson Baylor Beacon LLC
Hudson Baylor Cape May LLC
Hudson Baylor North Gateway, LLC
Hudson Baylor Tucson LLC
Hyder Waste Container, Inc.

Jurisdiction of Formation

California
Delaware
Delaware
California
Rhode Island
Indiana
Colorado
Utah
Louisiana
Texas
Michigan
Delaware
Georgia
Alabama
Delaware
Ohio
Delaware
North Dakota
Texas
Vermont
California
Delaware
Georgia
Oregon
Delaware
Delaware
Kentucky
Pennsylvania
Pennsylvania
Delaware
Delaware
Delaware
Florida
Connecticut
Mississippi
Michigan
Mississippi
Delaware
Maryland
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
North Carolina

Subsidiaries and Affiliates

Illiana Disposal Partnership
Illinois Landfill, Inc.
Illinois Recycling Services, Inc.
Illinois Valley Recycling, Inc.
Imperial Landfill, Inc.
Independent Trucking Company
Ingrum Waste Disposal, Inc.
International Disposal Corp. of California
Island Waste Services Ltd.
Itasca Landfill TX, LP
Jefferson City Landfill, LLC
Jetter Disposal, Inc.
Johnstown Solar 1, LLC
JSI Houston Transfer Station, Inc.
K & K Trash Removal, Inc.
Kankakee Quarry, Inc.
Keller Canyon Landfill Company
Keller Drop Box, Inc.
Kent-Meridian Disposal Company
Kerrville Landfill TX, LP
Key Waste Indiana Partnership
La Cañada Disposal Company, Inc.
Lake County C & D Development Partnership
Lake Norman Landfill, Inc.
LandComp Corporation
Lane Ave Solar LLC
Lathrop Sunrise Sanitation Corporation
Lee County Landfill SC, LLC
Lee County Landfill, Inc.
Lemons Landfill, LLC
Lewistown Disposal, Inc.
Lewisville Landfill TX, LP
LGS Renewables I, L.C.
Liberty Waste Holdings, Inc.
Liberty Waste Services Limited, L.L.C.
Liberty Waste Services of Illinois, L.L.C.
Liberty Waste Services of McCook, L.L.C.
Local Sanitation of Rowan County, L.L.C.
Loop Recycling, Inc.
Loop Transfer, Incorporated
Lorain Carbon Zero Solutions, LLC
Lorain County Landfill, LLC
Louis Pinto & Son, Inc., Sanitation Contractors
Lucas County Landfill, LLC
Madison County Development, LLC
Manteca PV 1, LLC

Jurisdiction of Formation

Indiana
Illinois
Illinois
Illinois
California
California
Illinois
California
New York
Delaware
Delaware
Iowa
Delaware
Texas
Maryland
Illinois
California
Oregon
Washington
Delaware
Indiana
California
Indiana
North Carolina
Illinois
Delaware
California
Delaware
Illinois
Delaware
Washington
Delaware
Texas
Delaware
Delaware
Illinois
Delaware
Delaware
Illinois
Illinois
Delaware
Ohio
New Jersey
Ohio
Tennessee
California

Subsidiaries and Affiliates

Manumit of Florida, Inc.
Marion Investment Group, LLC
Marion Recycling Center, Inc.
Marion Resource Recovery Facility, LLC
Maui 17-2 LLC
McCarty Road Landfill TX, LP
McCusker Recycling, Inc.
McInnis Waste Systems, Inc.
Meadow Landfill, LLC
Menands Environmental Solutions, LLC
Mesa Disposal, Inc.
Mesquite Landfill TX, LP
Mexia Landfill TX, LP
M-G Disposal Services, L.L.C.
Mid America Contractors, L.L.C.
Middletown Solar 1, LLC
Mississippi Waste Paper Company
Missouri City Landfill, LLC
Modern Power, LLC
Modern-Mallard Energy, LLC
Montana Waste Systems, Inc.
Mountain Home Disposal, Inc.
N Leasing Company, LLC
NationsWaste Catawba Regional Landfill, Inc.
NationsWaste, Inc.
New Mexico Disposal Co., LLC
New Morgan Landfill Company, Inc.
New York Waste Services, LLC
Newton County Landfill Partnership
Nichols Street Properties LLC
NMRT, LLC
Noble Road Landfill, Inc.
Northeast Landfill, LLC
Northlake Transfer, Inc.
Northwest Tennessee Disposal Corporation
NY RNM Project1, LLC
NY RNM Project1A, LLC
NY RNM Project2, LLC
NY RNM Project3, LLC
NY RNM Project4, LLC
Oahu SPE 101-14 LLC
Oahu SPE 101-19 LLC
Oahu SPE 101-2 LLC
Oahu SPE 101-4 LLC
Oahu SPE 101-9 LLC
Oakland Heights Development, Inc.

Jurisdiction of Formation

Florida
Oregon
Oregon
Oregon
Hawaii
Delaware
Pennsylvania
Oregon
Delaware
New York
Arizona
Delaware
Delaware
Delaware
Texas
Delaware
Mississippi
Missouri
Delaware
Delaware
Washington
Delaware
Delaware
South Carolina
Delaware
California
Pennsylvania
Delaware
Indiana
Delaware
New Mexico
Ohio
Delaware
Illinois
Tennessee
Delaware
Delaware
Delaware
Delaware
Delaware
Hawaii
Hawaii
Hawaii
Hawaii
Hawaii
Michigan

Subsidiaries and Affiliates

Obscurity Land Development, LLC
Oceanside Waste & Recycling Services
Ohio Republic Contracts, II, Inc.
Ohio Republic Contracts, Inc.
Oklahoma City Landfill, L.L.C.
Organix Solutions, LLC
Oscar's Collection System of Fremont, Inc.
Otay Landfill, Inc.
Ottawa County Landfill, Inc.
Packerton Land Company, L.L.C.
Palomar Transfer Station, Inc.
Peltier Real Estate Company
Peninsula Waste Systems, LLC
Perdomo & Sons, Inc.
Pinal County Landfill Corp.
Pine Bend Holdings L.L.C.
Pine Hill Farms Landfill TX, LP
Pinecrest Landfill OK, LLC
Pittsburg County Landfill, Inc.
Pleasant Oaks Landfill TX, LP
Port Clinton Landfill, Inc.
Portable Storage Co.
Preble County Landfill, Inc.
Price & Sons Recycling Company
Prichard Landfill Corporation
Prince George's County Landfill, LLC
R.C. Miller Enterprises, Inc.
R.C. Miller Refuse Service Inc.
Rabanco Companies
Rabanco Recycling, Inc.
Rabanco, Ltd.
Rainbow Disposal Co., Inc.
Rainbow Environmental Services, LLC
Rainbow Transfer/Recycling, Inc.
Rainbow West Florida LLC
Ramona Landfill, Inc.
Randy's Rentals, LLC
Randy's Sanitation, LLC
Ransomville Solar 1, LLC
RCS, Inc.
Re Community Delaware, LLC
Re Community Great Lakes, LLC
RE Community Holdings II, Inc.
Re Community Renew New York LLC
ReCommunity Corporation
ReCommunity Farmingdale, LLC

Jurisdiction of Formation

Virginia
California
Delaware
Ohio
Oklahoma
Minnesota
Nebraska
California
Delaware
Delaware
California
Oregon
Maryland
California
Arizona
Delaware
Delaware
Delaware
Oklahoma
Delaware
Ohio
Oregon
Ohio
Georgia
West Virginia
Maryland
Ohio
Ohio
Washington
Washington
Washington
California
Delaware
California
Delaware
California
Minnesota
Minnesota
Delaware
Illinois
Delaware
Delaware
Delaware
Delaware
New York
Delaware

Subsidiaries and Affiliates

Republic Services of Iowa, LLC
Republic Services of Kentucky, LLC
Republic Services of Maryland, LLC
Republic Services of Massachusetts, LLC
Republic Services of Michigan Hauling, LLC
Republic Services of Michigan Holding Company, Inc.
Republic Services of Michigan I, LLC
Republic Services of Michigan II, LLC
Republic Services of Michigan III, LLC
Republic Services of Michigan IV, LLC
Republic Services of New Jersey, LLC
Republic Services of North Carolina, LLC
Republic Services of Ohio Hauling, LLC
Republic Services of Ohio I, LLC
Republic Services of Ohio II, LLC
Republic Services of Ohio III, LLC
Republic Services of Ohio IV, LLC
Republic Services of Ohio Transportation, LLC
Republic Services of Oxnard, Inc.
Republic Services of PA - Environmental Solutions, LLC
Republic Services of Pennsylvania, LLC
Republic Services of Smith County, LLC
Republic Services of Sonoma County Energy Producers, Inc.
Republic Services of Sonoma County, Inc.
Republic Services of South Carolina, LLC
Republic Services of Southern California, LLC
Republic Services of Tennessee, LLC
Republic Services of Virginia, LLC
Republic Services of Wisconsin GP, LLC
Republic Services of Wisconsin LP, LLC
Republic Services of Wisconsin, Limited Partnership
Republic Services Organic Holding, Inc.
Republic Services Organic Solutions, LLC
Republic Services Procurement, Inc.
Republic Services Real Estate Holding, Inc.
Republic Services Recycling of Indiana, Inc.
Republic Services Renewable Energy II, LLC
Republic Services Renewable Energy III, LLC
Republic Services Renewable Energy, LLC
Republic Services Risk Management, Inc.
Republic Services Vasco Road, LLC
Republic Silver State Disposal, Inc.
Republic Transportation Services of Canada, Inc.
Republic Waste Services of Southern California, LLC
Republic Waste Services of Texas GP, Inc.
Republic Waste Services of Texas LP, Inc.

Jurisdiction of Formation

Iowa
Kentucky
Maryland
Delaware
Michigan
Delaware
Michigan
Michigan
Michigan
Michigan
Delaware
North Carolina
Ohio
Ohio
Ohio
Ohio
Delaware
California
Delaware
Delaware
Delaware
California
Delaware
Delaware
Delaware
Delaware
Virginia
Delaware
Delaware
Delaware
Delaware
North Carolina
Delaware
Delaware
Delaware
Delaware
Delaware
Delaware
Nevada
Ontario
Delaware
Delaware
Delaware

Subsidiaries and Affiliates

Republic Waste Services of Texas, Ltd.
Republic Waste, Limited Partnership
Resource Recovery Systems, LLC
Resource Recovery, Inc.
RI/Alameda Corp.
Richmond Sanitary Service, Inc.
Richmond Solar Power 1, LLC
Rincon Solar I, LLC
RITM, LLC
River Recycling, LLC
River Street Solar 1, LLC
Roosevelt Associates
Ross Bros. Waste & Recycling Co.
Rossman Sanitary Service, Inc.
Roxana Landfill, LLC
Royal Holdings, Inc.
RSG Cayman Group, Inc.
RT52 Walden Solar 1, LLC
Rubbish Control, L.L.C.
RWS Texas Leasing Company, LLC
RWS Transport, L.P.
Ryan Road Solar LLC
S & S Recycling, Inc.
Saguaro National Captive Insurance Company
Saline County Landfill, Inc.
San Diego Landfill Systems, LLC
San Francisco Bay Railway, LLC
San Marcos NCRRF, Inc.
Sand Valley Holdings, L.L.C.
Sandy Hollow Landfill Corp.
Sangamon Valley Landfill, Inc.
Sanifill, Inc.
Sanitary Disposal Service, Inc.
Santek Environmental of Alabama, LLC
Santek Environmental of Arkansas, LLC
Santek Environmental of Georgia, LLC
Santek Environmental of Kentucky, LLC
Santek Environmental of North Carolina, LLC
Santek Environmental of Pine Belt, LLC
Santek Environmental of Tennessee, LLC
Santek Environmental of Texas, LLC
Santek Environmental of Virginia, LLC
Santek Environmental, LLC
Santek Waste Services, LLC

Jurisdiction of Formation

Texas
Delaware
Delaware
Kansas
California
California
Rhode Island
Georgia
Delaware
Delaware
Delaware
Washington
Ohio
Oregon
Illinois
Michigan
Delaware
Delaware
Delaware
Texas
Delaware
Delaware
Georgia
Arizona
Illinois
California
Delaware
California
Delaware
Delaware
West Virginia
Delaware
Tennessee
Michigan
Alabama
Arkansas
Georgia
Kentucky
North Carolina
Mississippi
Tennessee
Texas
Virginia
Tennessee
Tennessee

Subsidiaries and Affiliates

Sauk Trail Development, Inc.
Schofield Corporation of Orlando
Show-Me Landfill, LLC
Shred - All Recycling Systems Inc.
Simmons & Eastern, LLC
Solano Garbage Company
Source Recycling, Inc.
South Trans, Inc.
Southeast Landfill, LLC
Southern Illinois Regional Landfill, Inc.
Southern Tank Leasing, Inc.
Southwest Landfill TX, LP
Springfield Environmental General Partnership
St. Paul Haulers, LLC
Standard Disposal Services, Inc.
Standard Environmental Services, Inc.
Standard Waste, Inc.
Streator Area Landfill, Inc.
Suburban Transfer, Inc.
Suburban Warehouse, Inc.
Summit Waste Systems, Inc.
Sunrise Sanitation Service, Inc.
Sunset Disposal Service, Inc.
Sunset Disposal, Inc.
Sycamore Landfill, Inc.
Tate's Transfer Systems, Inc.
Tay-Ban Corporation
Tayman Industries, Inc.
The Ecology Group, Inc.
Thomas Disposal Service, Inc.
Tidal Tank, Inc.
Tippecanoe County Waste Services Partnership
Tom Luciano's Disposal Service, Inc.
Total Roll-Offs, L.L.C.
Total Solid Waste Recyclers, Inc.
Trash Butler, LLC
Tricil (N.Y.), Inc.
Tri-County Refuse Service, Inc.
Tri-State Recycling Services, Inc.
Tri-State Refuse Corporation
Turkey Creek Landfill TX, LP
United Disposal Service, Inc.

Jurisdiction of Formation

Michigan
Florida
Delaware
Illinois
Delaware
California
Oregon
New Jersey
Delaware
Illinois
Alabama
Delaware
Indiana
Minnesota
Michigan
Michigan
Delaware
Illinois
Illinois
Illinois
Arizona
California
California
Kansas
California
Missouri
Michigan
California
Ohio
Missouri
Delaware
Indiana
New Jersey
Texas
New Jersey
Florida
New York
Michigan
Illinois
Arizona
Delaware
Oregon

Subsidiaries and Affiliates

University Solar, LLC
Upper Rock Island County Landfill, Inc.
Valley Landfills, Inc.
VHG, Inc.
Victoria Landfill TX, LP
Vining Disposal Service, Inc.
W. Orange RD Solar LLC
Warner Hill Development Company
Wasatch Regional Landfill, Inc.
Waste Control Systems, Inc.
Waste Services Group, LLC
Waste Services of Alabama, LLC
Waste Services of Georgia, LLC
Waste Services of Hattiesburg, LLC
Waste Services of Kentucky, LLC
Waste Services of New York, Inc.
Waste Services of Tennessee, LLC
Waste Services of Texas, LLC
Wastehaul, Inc.
Wayne County Land Development, LLC
Wayne County Landfill IL, Inc.
Wayne Developers, LLC
WDTR, Inc.
Webster Parish Landfill, L.L.C.
Wellkept LLC
West Brookfield Boston Post Road Solar LLC
West Contra Costa Energy Recovery Company
West Contra Costa Sanitary Landfill, Inc.
West County Landfill, Inc.
West County Resource Recovery, Inc.
West Street Solar 1, LLC
Whispering Pines Landfill TX, LP
Wilbur Woods Solar LLC
Willamette Resources, Inc.
Williams County Landfill Inc.
Williamsburg East Street Solar LLC
Willow Ridge Landfill, LLC
Wilshire Disposal Service
Winchendon Ash Street Solar 1 LLC
Winchendon Lincoln Avenue Solar 1 LLC
Winchendon Lincoln Avenue Solar 2 LLC
WJR Environmental, Inc.

Jurisdiction of Formation

Rhode Island
Illinois
Oregon
Minnesota
Delaware
Massachusetts
Delaware
Ohio
Utah
Oregon
Delaware
Alabama
Georgia
Mississippi
Kentucky
New York
Tennessee
Texas
Indiana
New York
Delaware
Georgia
Oregon
Delaware
Delaware
Delaware
California
California
California
California
Delaware
Delaware
Delaware
Oregon
Ohio
Delaware
Delaware
California
Delaware
Delaware
Delaware
Washington

Subsidiaries and Affiliates

Woodlake Sanitary Service, Inc.

Zakaroff Services

ZPD-PT Solar Project 2017-001 LLC

ZPD-PT Solar Project 2017-003 LLC

ZPD-PT Solar Project 2017-007 LLC

ZPD-PT Solar Project 2017-008 LLC

ZPD-PT Solar Project 2017-011 LLC

ZPD-PT Solar Project 2017-014 LLC

ZPD-PT Solar Project 2017-017 LLC

ZPD-PT Solar Project 2017-021 LLC

ZPD-PT Solar Project 2017-023 LLC

ZPD-PT Solar Project 2017-024 LLC

ZPD-PT Solar Project 2017-038 LLC

ZPD-PT Solar Project 2017-044 LLC

Jurisdiction of Formation

Minnesota

California

Massachusetts

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

Form S-8	No. 333-150943	Republic Services, Inc. 2007 Stock Incentive Plan
Form S-8	No. 333-156070	Republic Services, Inc. 2006 Incentive Stock Plan (f/k/a Allied Waste Industries, Inc. 2006 Incentive Stock Plan) and Republic Services, Inc. 2005 Non-Employee Director Equity Compensation Plan (f/k/a Allied Waste Industries, Inc. 2005 Non-Employee Director Equity Compensation Plan)
Form S-8	No. 333-170174	Republic Services, Inc. Deferred Compensation Plan
Form S-8	No. 333-175879	Republic Services, Inc. Amended and Restated 2007 Stock Incentive Plan
Form S-8	No. 333-221582	Republic Services, Inc. Deferred Compensation Plan
Form S-8	No. 333-228002	Republic Services, Inc. 2018 Employee Stock Purchase Plan
Form S-3	No. 333-234390	Registration Statement
Form S-8	No. 333-249990	Republic Services, Inc. 2021 Stock Incentive Plan

of our reports dated February 10, 2022, with respect to the consolidated financial statements of Republic Services, Inc. and the effectiveness of internal control over financial reporting of Republic Services, Inc., included in this Annual Report (Form 10-K) of Republic Services, Inc. for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Phoenix, Arizona

February 10, 2022

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jon Vander Ark, certify that:

1. I have reviewed this 2021 Annual Report on Form 10-K of Republic Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JON VANDER ARK

Jon Vander Ark

President and Chief Executive Officer
(Principal Executive Officer)

Date: February 10, 2022

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian DelGhiaccio, certify that:

1. I have reviewed this 2021 Annual Report on Form 10-K of Republic Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ BRIAN DELGHIACCIO

Brian DelGhiaccio
Executive Vice President,
Chief Financial Officer
(Principal Financial Officer)

Date: February 10, 2022

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this Annual Report on Form 10-K of Republic Services, Inc. (the Company) for the annual period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Jon Vander Ark, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JON VANDER ARK

Jon Vander Ark
President and Chief Executive Officer
(Principal Executive Officer)

Date: February 10, 2022

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS
ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this Annual Report on Form 10-K of Republic Services, Inc. (the Company) for the annual period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Brian DelGhiaccio, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

/s/ BRIAN DELGHIACCIO

Brian DelGhiaccio
Executive Vice President,
Chief Financial Officer
(Principal Financial Officer)

Date: February 10, 2022

Business History Form

In addition to the submission of bids/proposals, as applicable, each bidder/proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the bid/proposal.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: July 27, 2020

1) Bidder's/Proposer's Legal Name: ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.

2) Address of Place of Business: 201 S. First St.; Elizabeth, NJ 07206

List all other business addresses used within last five years:

See all of our locations at www.acvenviro.com

3) Mailing Address (if different): 1500 Rahway Ave, Avenel, NJ 07001

Phone : 908-355-5800

Does the business own or rent its facilities? both

4) Dun and Bradstreet number: 131701732

5) Federal I.D. Number: 11-2710601

6) The bidder/proposer is a (check one): Sole Proprietorship Partnership Corporation Other (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business? Yes No If Yes, please provide details: Clean Venture, Inc. - A Wholly Owned Subsidiary of ACV shares office space, staff, or equipment in some locations

8) Does this business control one or more other businesses? Yes No If Yes, please provide details: Clean Venture, Inc. - A Wholly Owned Subsidiary

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business? Yes No If Yes, provide details. ACV Enviro Holding Corporation - Parent Cycle Chem, Inc. - affiliated Company,

10) Has the bidder/proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated? Yes No If Yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract). _____

11) Has the bidder/proposer, during the past seven years, been declared bankrupt? Yes ___ No X
If Yes, state date, court jurisdiction, amount of liabilities and amount of assets _____

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business. Yes ___ No X If Yes, provide details for each such investigation. _____

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business. Yes x No ___ If Yes, provide details for each such investigation. _____ standard cost of doing business investigations for employment allegations, i.e. EEOC, state employment agencies, DOT, OSHA

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending? No X Yes ___ If Yes, provide details for each such charge. _____

b) Any misdemeanor charge pending? No X Yes ___ If Yes, provide details for each such charge. _____

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? No X Yes ___ If Yes, provide details for each such conviction _____

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor? No X Yes ___ If Yes, provide details for each such conviction. _____

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions? No X Yes ___ If Yes, provide details for each such

occurrence. _____

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? No Yes ___; If Yes, provide details for each such instance. _____

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? No Yes ___ If Yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire. _____

Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose:

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting as a collection agent on behalf of Nassau County.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

Attachments to Business History Form

Please provide any other information which would be appropriate and helpful in determining the bidder's/proposer's capacity and reliability to perform these services.

- A. Include a resume or detailed description of the bidder's/proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Should the bidder/proposer be other than an individual, the bid/proposal should include:

- i) Date of formation;
- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner;
- iii) Name, address and position of all officers and directors of the company;
- iv) State of incorporation (if applicable);
- v) The number of employees in the firm;
- vi) Annual revenue of firm;
- vii) Summary of relevant accomplishments
- viii) Copies of all state and local licenses and permits.

- B. Indicate number of years in business.

- C. Provide any other information which would be appropriate and helpful in determining the bidder's/proposer's capacity and reliability to perform these services.

- D. Provide names and addresses for no fewer than three references for whom the bidder/proposer has provided similar services or who are qualified to evaluate the bidder's/proposer's capability to perform this work.

Company State of Massachusetts

Contact Person Gustav Pearson - Strategic Sourcing Manager - Operational Services Division

Address One Ashburton Place, RM 1017
Boston, MA 02108

City/State _____

Telephone 617-720-3101

Fax # _____

E-Mail Address gustav.pearson@mass.gov

Company State of New Hampshire Department of Administrative Services - Bureau of Purchasing & Property

Contact Person Paul Rhodes - Administrator III / Contract Manager

Address 25 Capitol Street, RM 102

Concord, NH 03301

City/State _____

Telephone 603-271-3350

Fax # _____

E-Mail Address Paul.Rhodes@das.nh.gov

Company Port Authority NY / NJ

Contact Person Dino Kotsianas

Address _____

City/State _____

Telephone 973-961-6279

Fax # _____

E-Mail Address dkotsianas@panynj.gov

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID/PROPOSAL OR FUTURE BIDS/PROPOSALS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, Ken Wunderlich, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this 28th day of July 2020



Notary Public SUZANNE VOUTSINAS
NOTARY PUBLIC OF NEW JERSEY
Comm. # 50058884
My Commission Expires 4/27/2022

Name of submitting business: ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.

By: Ken Wunderlich

Print name


Signature
Vice President, Treasurer, and Secretary

Title

07 / 28 / 2020

Date



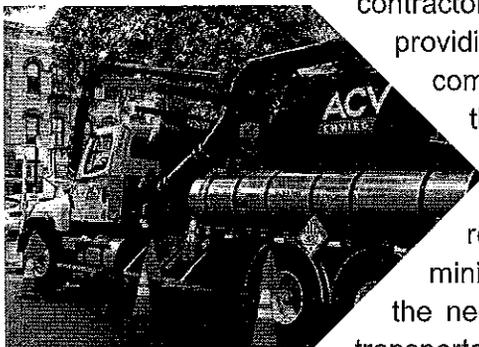
Executive Summary

ACV Environmental Services, Inc. (ACV Enviro) is grateful to provide the enclosed proposal to the County of Nassau for hazardous materials transportation, storage, and disposal services as defined in the RFP documents.

- Date of Formation: 09 / 25 / 1984
- Name, addresses, and position of all persons having a financial interest in the company: ACV Enviro is a privately held corporation incorporated in New York.
- Name, address, and position of all officers and directors of the company: All officers are located at 1500 Rahway Ave.; Avenel, NJ 07001.
 - Andrew Shackett - CEO & President
 - Ken Wunderlich – Vice President, Treasurer, & Secretary
 - Donna Miller – Vice President
- Number of employees in the firm: ~900
- Annual revenue of firm: ~ \$200 MM
- Summary of relevant accomplishments: ACV Enviro is an industry leader in environmental, emergency response, industrial, and waste management solutions.
- Copies of all state and local licenses and permits: Permits and licenses have been provided as applicable to this scope of work.
- Indicate number of years in business: 43 Years

Trucking mishaps, waterway and beach cleanups, industrial accidents and fires, bulk liquid terminal spills – land or sea, our fleet of emergency equipment located in numerous facilities in and around New York and New Jersey will respond to any situation.

As a U.S. Coast Guard (USCG) certified Oil Spill Removal Organization (OSRO) environmental contractor, ACV Enviro has performed thousands of responses when providing around-the-clock emergency service to companies and communities. It is our ability to respond quickly to an emergency that makes our team among the best in the business. Let our team help you coordinate response efforts – matching our resources, people, and equipment – to your emergency response situation. We will provide a rapid response, minimizing exposure, and assuring safety. ACV Enviro holds all the necessary hazardous and non-hazardous permits, including transportation - so we can get the job done right without any compliance headaches for you or your organization.



We have 26 service locations and a variety of service capabilities including waste characterization, waste management, transportation, and manifesting services. Our facilities are



compliant, CERCLA approved, and permitted by the states we operate in as well as the EPA. Our strong compliance record, our ability to treat and manage a wide variety of waste types, and our ability to get the job done makes ACV Enviro a company you will call to solve your most complex environmental issues.

Our highly trained team is comprised of the best in the business:

- Health & Safety Professionals
- Waste Specialists
- OSRO Specialists
- Chemists
- Chemical Engineers
- Geologists
- Toxicologists
- Environmental Scientists

With four decades of experience, ACV Enviro is one of the premier environmental service companies in the U.S. As an equipment driven company, we have the right tools to perform any project. We utilize a wide array of industrial machinery, including liquid vacs, turbo vacs, catch basin cleaners, 10 - 40K hydroblasters, generators, compressors, and an extensive inventory of pumps. With our equipment and operational expertise, no task is impossible.

ACV Enviro crews also know what type of specialized equipment is needed when the common standard just isn't enough. We provide:

- Sound Reduction Units – For sound-sensitive projects, like those done in high density communities
- Hydroexcavation Units – For low impact, non-invasive projects such as excavating around utility lines
- Marine Equipment – For jobs requiring sorbent materials, storage containers, containment boom or skimming equipment (OSRO Rated)

1. ACV Enviro Overview

ACV Enviro is one of the leading providers of industrial, field and waste disposal solutions in the nation. ACV Enviro provides customers with a strong local presence along with the resources and capabilities of the largest companies in the industry. We partner with our customers to solve America's toughest environmental and waste problems. Our team is dependable, reliable, and accountable to our clients. ACV Enviro is strongly focused on safety and compliance; getting the job done safely is our highest priority.

We approach every project committed to providing high quality services. The broad variety of services provided in 26 locations throughout the East Coast and Midwest allow us to deliver focused solutions for your business. Integrity, mutually beneficial partnerships with our clients, team, and communities are the core values of our business.



With nearly 40 years of experience providing safe and compliant waste management services to our customers, you can trust ACV Enviro to take every precaution necessary to ensure safety and regulatory compliance. ACV Enviro has the knowledge to manage your waste compliantly and safely, and will ensure all local, state, and federal regulations are met.

Our company-owned fleet is one of the largest in the industry and includes heavy construction equipment, groundwater treatment systems, tankers, roll-offs, box vans, dump trailers, vacuum trucks, and hydroexcavation equipment. We are permitted to excavate, handle, and transport hazardous waste throughout the United States and Canada.

2. ACV Enviro Capabilities & Technical Experience

ACV Enviro has 26 service locations and a variety of service capabilities including waste characterization, waste management, transportation, and manifesting services. Our facilities are compliant, CERCLA approved and permitted by the states we operate in as well as the EPA. Our strong compliance record, our ability to treat and manage a wide variety of waste types and our ability to get the job done makes ACV Enviro a company you will call to solve your most complex environmental issues.

ACV Enviro does it all 24 / 7 / 365 with all the resources necessary for any spill response task. With expert training and professional knowledge, our team can provide a full turnkey service to our customers, from project start to close. Our crews minimize delays and disruptions while maximizing efficiency.

Our specially trained and highly equipped personnel apply the latest technologies to complete a broad spectrum of projects. Difficult conditions and hard contamination are no match for our field crews. Challenging jobs – from hazardous waste management to confined space entry cleaning operations – are easily and effectively completed, minimizing the impact on our clients' day to day operations.

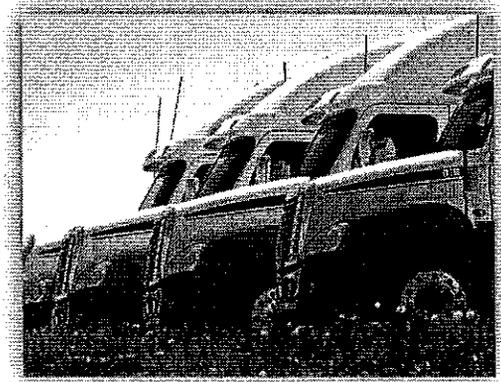
1.1. Transportation & Disposal Services

ACV Enviro provides one of the most comprehensive transportation programs in the Northeast. All our professional, vetted drivers are fully trained, insured, medically monitored, and have excellent driving records. ACV Enviro holds transportation permits in over 41 states for hazardous and non-hazardous waste and is New Jersey A901 approved. Our transportation fleet enables us to manage your waste from point of generation to final disposition, helping you minimize cost and liability.



We have the right equipment for every job – ACV Enviro maintains one of the largest and most diverse transportation fleets including:

- Vacuum Trucks (stainless and carbon steel)
- Vacuum Containers / Sludge Boxes
- Roll-Off Trucks
- Van Trailers (48' to 53' lengths)
- Dump Trailers
- 21,000-Gallon Frac Tanks
- Flat Beds / Lowboy Trailers



In compliance with all local, state, and federal regulations, ACV Enviro's fleet utilizes an extensive selection of equipment specifically designed to handle all types of waste.

ACV Enviro owns and operates RCRA Part B treatment, storage, and disposal facilities. Our facilities are permitted for a variety of hazardous and non-hazardous waste types including liquids, solids, sludges, and gas cylinders. In addition, we operate a rotary kiln soil recycling facility for the management of petroleum-contaminated soils. Our expertise enables us to assist you with identifying the most cost effective and environmentally friendly methods of recycling, treating, and / or disposing of all waste streams.

Our TSD facilities in New Jersey and Pennsylvania are located on the East Coast, providing close proximity to large remediation projects and to a wide variety of waste generators. Our close proximity will help reduce transportation costs and overall project costs. Our customers can deliver a variety of waste types from flammables to inorganic waste on one truck. Our ability to manage lab packs both cost effectively and timely is unparalleled. Let us provide the best team to accept your hazardous, non-hazardous, and a wide variety of common waste streams for processing.

From start to finish, ACV Enviro's turnkey management does it all. We have built our reputation as a leaders in the management of hazardous and non-hazardous waste types. By applying the latest, most advanced waste management technologies, ACV Enviro can provide stabilization treatment, recycling, incineration and landfilling to handle any client's disposal requests. ACV Enviro can also assist customers in arranging for and managing other specialized requirements, such as radioactive materials, explosives and NORM / TENORM. ACV Enviro has the knowledge to manage your waste compliantly and safely, and will ensure all local, state, and federal regulations are met.



1.2. Materials Handling & Storage

Customer waste is managed through our 10-day facilities network. ACV Enviro will provide waste characterization and transportation of solids and liquids from spill or accumulation sites to a County of Nassau approved TSDF for disposal. ACV Enviro will create and manage waste profiles, manifesting, and disposal approvals, as well as lab packing (where applicable).

ACV Enviro also creates Milk Runs for customers where applicable.

1.3. Lab Pack Services

Private laboratories, research and development centers, hospitals, schools, colleges, and universities all generate small containers of hazardous and toxic wastes. ACV Enviro offers cost effective, same-day transport and disposal for laboratory containers of hazardous waste. Our team segregates and packages your waste into compatible groups according to EPA and DOT regulations as specified in Code of Federal Regulations (CFR) 49 Part 173.12.

Our field chemists are fully trained and certified to complete any lab pack services your organization requires.

1.4. Emergency Response

ACV Enviro has a significant amount of resources with which to respond to spills and has been in the business of doing so for nearly 40 years. Our service centers are strategically located to ensure a rapid response to emergency calls. Our personnel all average over 10 - 15 years of experience in the hazardous waste industry. All field personnel are 40-Hour OSHA HAZWOPER trained and our foremen have extensive experience in tank cleaning, site remediation, chemical transfers, spill response, and more. We also employ chemists, along with Class A and B drivers with HazMat and Tank endorsements. Currently, we have four on-call spill teams that rotate on a weekly basis to service the needs of our clients.

Once ACV Enviro is notified of the oil spill, the ACV Enviro Project Manager (PM) and the Operations Manager (OM) will identify and discuss critical issues. The identification of these critical issues will ensure that ACV Enviro's planned approach is consistent with the directives required by the site owner and the County of Nassau for completion of the scope of work. Some of the issues that may be covered include but are not limited to:

- Confirming response time and the purpose of the task order
- Discussing and defining staff and resource requirements
- Discussing and defining data quality objectives

- Establishing communication protocols with all essential emergency and responding personnel
- Confirming administrative data

Site safety and health protocol is the key to planning any emergency field response or remediation project; therefore, our PM, OM, EHS Manager, and senior field staff will discuss the site information and identify critical issues that need resolution before mobilization and time-critical material and equipment needs, select key crew members, and review expected chemical or physical hazards that may be present. Within 15 minutes, ACV Enviro will call the County of Nassau's contact and discuss equipment and manpower needs.



The PM will draw from ACV Enviro's pool of qualified personnel or select subcontractors as appropriate from our designated list of approved vendors. ACV Enviro maintains master services contracts with many specialized environmental firms, laboratories, and equipment suppliers across the region that add to our breadth of coverage and capabilities for quick deployment and remedial action. In addition, the PM will:

- Initiate the accounting / cost tracking framework
- Notify the Health & Safety, Purchasing, and T&D Departments of the task order and make sure all contract plans are being followed
- Develop, implement, and manage a QA project plan if environmental measurements will be made
- Attend regularly scheduled program management status meetings or site-specific meetings as required

The PM or designated emergency response foreman will arrive onsite within one hour of the event, reporting to the County of Nassau's representative at the time of arrival, inspecting the scene, and deciding if additional personnel / equipment is needed. All selected members of the emergency response crew will mobilize to the nearest ACV Enviro facility to gather all the necessary equipment and supplies. The crew will then meet the onsite PM / Foreman to mitigate the roadway spill as soon as possible.

ACV Enviro will use Speedi-Dry, booms, etc., to contain the spill as much as possible, remove all impacted soil and debris, and transport all waste offsite for proper disposal. ACV Enviro would employ the services of a Licensed Site (Remediation) Professional (LSP) if necessary and restore the site once the project is completed.



Emergency Response Services include:

- USCG Certified OSRO
- Marine & Land Services
- Groundwater Recovery
- Boom Deployment
- Emergency Response Unit
- Hazard Categorization & Segregation

1.5. Intermediate Response Action

ACV Enviro is an environmental contractor dedicated to the proper handling, transporting, and disposal of oil / hazardous materials for both emergency and planned events since forming almost 40 years ago.

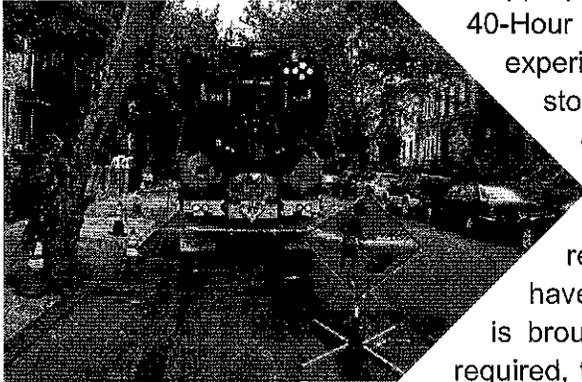
ACV Enviro has extensive experience in IRA services gained from the successful completion of tens of thousands of environmental projects in the Northeastern and mid-Atlantic United States. We have planned, executed, or provided quality oversight on more than 60,000 environmental projects over the course of the past 40 years. Over 20% of these actions have been completed just within the last five years. Of these projects, many involved actions that:

- Were of similar complexity to the type of projects defined within this solicitation
- Demanded extensive interaction and cooperation with all levels of the various environmental regulatory agencies
- Performed under the control of governmental contracts, which were held by us as the prime contractor or as the named, exclusive subcontractor for both the competitive award and subsequent work performance

ACV Enviro employs highly trained 40-Hour OSHA HAZWOPER personnel with lengthy experience dealing with emergency response and IRA projects. We have senior foremen on staff that have over 10 years of experience with ACV Enviro, managing underground / aboveground tank cleaning, hydrofluoric line cleaning, and soil remediation work. If contaminated soil needs to be moved, many of the field personnel in our offices have their hydraulics licenses. We also have extensive experience in industrial decontamination services. We also have four field chemists on staff that are experts in identifying and lab packing chemicals.

Once ACV Enviro is notified of the event, the PM would review the job tasks that the County of Nassau has requested for the specific scope of work. Then, the PM would request a site walk, as necessary, to familiarize him or herself with the conditions of the site. Depending on the scope of work and the known work hazards, the PM would meet with the EHS Manager to come up with a

site-specific safety plan. The plan will then be submitted to the County of Nassau for review, if necessary.



The appropriate crew is selected from a pool of highly trained 40-Hour OSHA HAZWOPER personnel with lengthy experience dealing with IRA projects, underground storage tank removals, site maintenance, and other environmental services. Enviro selects employees who are available at the time of award with skills that best suit the needs of the project. ACV Enviro reviews each work plan to ensure that the work tasks have been clearly identified and the correct equipment is brought to the job site. If a Health & Safety plan is required, that would be reviewed as well. All crew members

will sign the plan to acknowledge understanding and acceptance of it.

The crew will then be dispatched to the site on the agreed upon date and time. The Foreman will have a tailgate safety meeting with the crew to ensure everyone is aware of the site hazards, as well as the tasks that need to be accomplished. The foreman will then review the work plan against the actual site conditions to ensure that no changes have occurred. If no changes have occurred, work will proceed as planned. Should there be any new or unforeseen conditions / problems that necessitate a change in the work plan / SOW, ACV Enviro will contact the County of Nassau's representative in charge of the project and the ACV Enviro PM to discuss the changes and come up with a solution.

The PM would oversee the entire project and would be responsible for all aspects of field management.

1.6. Vacuum Excavation

Protect your infrastructure with ACV Enviro's vacuum excavation options. The vacuum excavation process safely breaks up the ground and simultaneously vacuums the debris into the on-board tank to expose buried utility lines, providing a non-destructive excavation with no "hits" or "strikes." Vacuum excavation services include:

- Potholing
- Daylighting
- Slot Trenching
- Perimeter Trenching
- Remote Work (up to 400 ft.)
- On-Board Heaters for Frozen Ground Excavation



- Air-Knifing

Hydrovac Vacuum Excavation

Utilizing the water from the unit's on-board reservoir, a pressurized water stream is introduced into the ground to liquefy the soil, which is vacuumed into the debris tank. The operating pressure of the water jet is variable with standard pressure output between 1,850 – 2,000 psi, with a maximum pressure of 2,300 psi, which is enough to conquer the toughest soil conditions while still providing the comfort of knowing the underground lines remain intact.

Air Vacuum Excavation

Our built-in 185 cfm air compressor gives us the versatility to break up the soil with air when using water is not an option. Using either 110 or 150 psi, we can achieve virtually the same excavations as done with water.

FLEXIBILITY

Our combination units give us the ability to dig with air or water without having to mobilize additional equipment. Our positive displacement blowers allow us the advantage of performing excavations up to 600 feet from the ACV Enviro unit, helping to reduce restoration costs on job sites.

Frozen ground is also easy to tackle by employing specialized on-board systems to heat the water, conquering the harshest winter conditions.

1.7. Other Related Services

ACV Enviro has the capability to provide the County of Nassau with many more services ranging from remediation and excavations, high-pressure cleaning, OSHA HAZWOPER Training, to waste management plans, and so much more, allowing the County of Nassau to consolidate vendors and reduce costs.

I, Jamie McIlvaine , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Jamie McIlvaine , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: ACV Environmental Services, Inc.

Electronically signed and certified at the date and time indicated by:

Jamie McIlvaine [JMCILVAINE@ACVENVIRO.COM]

Sales Operations Manager

Title

03/15/2022 01:07:01 PM

Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Andrew Shackett
Date of birth: 03/04/1971
Home address: 40 Fisher Ridge Circle
City: Duxbury State/Province/Territory: MA Zip/Postal Code: 02332
Country: US

Business Address: 1500 Rahway Ave.
City: Avenel State/Province/Territory: NJ Zip/Postal Code: 07001
Country: US
Telephone: 7323759988

Other present address(es):
City: Avenel State/Province/Territory: NJ Zip/Postal Code: 07001
Country: US
Telephone: 7323759988

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	<u>05/01/2017</u>	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Andrew Shackett , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Andrew Shackett , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

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ACV Environmental Services, Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Andrew Shackett [ASHACKETT@ACVENVIRO.COM]

President

Title

03/18/2022 09:03:31 AM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: ACV Environmental Services, Inc.

Address: 201 S. First St.

City: Rahway State/Province/Territory: NJ Zip/Postal Code: 07206

Country: US

2. Entity's Vendor Identification Number: 11-2710601

3. Type of Business: Closely Held Corp (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

First Name	<u>Andrew</u>
Last Name	<u>Shackett</u>
MI	_____ Suffix _____
Address	<u>1500 Rahway Ave.</u>
City	<u>Avenel</u> State/Province/Territory: <u>NJ</u> Zip/Postal Code: <u>07001</u>
Country	<u>US</u>
Position	<u>Chief Exec. Officer</u>

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section. If none, explain.

ACV Enviro Holding Corporation - 201 South First St.; Elizabeth, NJ 07206

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

<u>Cycle Chem, Inc. - Sister Company</u>
<u>Clean Venture, Inc. - A wholly owned subsidiary of ACVES</u>

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real

property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

N/A

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

N/A

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:

Jamie McIlvaine [JMCILVAINE@ACVENVIRO.COM]

Dated: 03/10/2022 09:24:25 AM

Title: Sales Operations Manager

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

FORMAL SEALED BID PROPOSAL

	STATE OF NEW YORK		BID NUMBER 92645-07300-107
	COUNTY OF NASSAU		Dated: Ad. 07/09/2020
	BIDS WILL BE RECEIVED AND OPENED AT OFFICE OF PURCHASING, 1 WEST STREET, NORTH ENTRANCE, MINEOLA, NEW YORK 11501 OFFICE HOURS 9 AM – NOON & 1 PM – 4:45 PM		BID OPENING DATE July 30, 2020 11:00 A.M. E.S.T.
BUYER Timothy Funaro		TELEPHONE 516-571-7720	OFFICE OF PURCHASING REQUISITION NUMBER N/A

N/A JUL 30 2020

PREPARE YOUR BID ON THIS FORM USING BLACK INK OR TYPEWRITER

BID TITLE:	Hazardous Materials Transport Storage and Disposal	OPENED 11 AM
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• ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED

THE UNDERSIGNED BIDDER AFFIRMS AND DECLARES THAT HE/SHE HAS CAREFULLY EXAMINED THE ADVERTISED INVITATION FOR BIDS, THE BID TERMS AND CONDITIONS, AND DETAILED SPECIFICATIONS, AND CERTIFIES THAT THIS BID IS SIGNED WITH FULL KNOWLEDGE AND ACCEPTANCE OF ALL THE PROVISIONS THEREOF AND OFFERS AND AGREES, IF THIS BID IS ACCEPTED WITHIN NINETY (90) DAYS FROM THE BID OPENING DATE TO FURNISH ANY OR ALL THE ITEMS UPON WHICH PRICES ARE HEREINAFTER QUOTED IN THE QUANTITY AND AT THE PRICES BID.

CASH DISCOUNT OF 0 PERCENT WILL BE ALLOWED FOR PROMPT PAYMENT WITHIN 20 BUSINESS DAYS.

THE BIDDER CERTIFIES THAT: (A) THE BID HAS BEEN ARRIVED AT BY THE BIDDER INDEPENDENTLY AND HAS BEEN SUBMITTED WITHOUT COLLUSION WITH ANY OTHER VENDOR OF MATERIALS, SUPPLIES OR EQUIPMENT OF THE TYPE DESCRIBED IN INVITATION FOR BIDS, AND (B) THE CONTENTS OF THE BID HAVE NOT BEEN COMMUNICATED BY THE BIDDER, NOR, TO ITS BEST KNOWLEDGE AND BELIEF, BY ANY OF ITS EMPLOYEES OR AGENTS, TO ANY PERSON NOT AN EMPLOYEE OR AGENT OF BIDDER OR ITS SURETY ON ANY BOND FURNISHED HEREWITH PRIOR TO OFFICIAL OPENING OF THE BID.

DELIVERY MADE TO: Various Nassau County Agencies	GUARANTEED DELIVERY DATE 30 DAYS AFTER RECEIPT OF ORDER
	EMPLOYERS FEDERAL TAX ID NUMBER 11-2710601

TOLL FREE TELEPHONE NUMBER:

BIDS MUST BE SIGNED BY PROPRIETOR, PARTNER OR OFFICER AUTHORIZED TO SIGN FOR CORPORATION

NAME OF BIDDER	ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.		
ADDRESS	201 South First Street		
CITY	STATE	ZIP CODE	TELEPHONE
Elizabeth	NJ	07206	908-355-5800
SIGNATURE OF AUTHORIZED INDIVIDUAL	Ken Wunderlich - Vice President		
	PRINT OR TYPE NAME OF SIGNER AND TITLE		

IN EXECUTING THIS BID, THE BIDDER WARRANTS THAT THE PRICES SUBMITTED HEREIN ARE NOT HIGHER THAN THOSE OFFERED TO ANY GOVERNMENTAL OR COMMERCIAL CONSUMER FOR LIKE DELIVERIES. THE PRICES HEREIN SHOULD NOT INCLUDE ANY FEDERAL EXCISE TAXES OR SALES TAXES IMPOSED BY ANY STATE OR MUNICIPAL GOVERNMENT. SUCH TAXES, IF INCLUDED, MUST BE DEDUCTED BY THE BIDDER WHEN SUBMITTING BID. BIDDERS ARE REQUESTED TO ALSO READ THE TERMS AND CONDITIONS.

BID TERMS AND CONDITIONS

- Bids on equipment must be on standard new equipment, latest model, except as otherwise specifically stated in proposal or detailed specification. Where any part of nominal appurtenances of equipment is not described, it shall be understood that all equipment and appurtenances which are usually provided in the manufacturer's stock model shall be furnished.
- Bids on materials and supplies must be for new items except as otherwise specifically stated in bid or detailed specifications.
- Bidder declares that the bid is made without any connection with any other Bidder, submitting a bid for the same items, and is in all respects fair and without collusion or fraud.
- PRICES The provisions of the New York State Fair Trade Law (Fedor-Crawford Act) and the federal price discrimination law (Robinson-Patman Act) do not apply to purchases made by the County.
- SURETY In the event that an award is made hereunder, The Director of Purchase reserves the right to request successful bidders to post, within one week, security for faithful performance, with the understanding that the whole or any part thereof may be used by the County of Nassau to supply any deficiency that may arise from any default on the part of the Bidder. Such security must meet all the requirements of the County Attorney and be approved by the County Attorney.

6. **SAMPLES** Samples, when required, must be submitted strictly in accordance with instructions; otherwise bid may not be considered. If samples are requested subsequent to bid opening they shall be delivered within five (5) days of the request for bid to have consideration. Samples must be furnished free of charge and must be accompanied by descriptive memorandum invoices indicating if the Bidder desires their return; also specifying the address to which they are to be returned, provided they have not been used or made useless by tests. Award samples may be held for comparison with deliveries. Samples will be returned at the Bidders risk and expense.
7. **Award** The Director, Office of Purchasing reserves the right before making award to make investigations as to whether or not the items, qualifications or facilities offered by the Bidder meet the requirements set forth herein and are sample and sufficient to insure the proper performance in the event of award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery and capacity of the manufacturer for the production and distribution of the material on which he is bidding. Upon request of the Director, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that articles or equipment proposed to be furnished do not meet the requirements called for, or that the qualification, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.
8. Awards will be made to the lowest responsible Bidder. Cash discounts will not be a factor in determining awards, except in tie bids. Consideration will be given to the reliability of the Bidder, the quantities of the materials, equipment or supplies to be furnished, their conformity with the specifications, the purpose for which required and the terms of delivery.
9. The Director reserves the right to reject all bids in whole or in part and to waive technical defects, irregularities and omissions if in his judgment the best interests of the County will be served.
10. Unless otherwise indicated herein, the Director reserves the right to make award by items, by classes, by group of items, or as a whole.
11. **DELIVERIES** Upon failure of the Vendor to deliver within the time specified, or within reasonable time as interpreted by the Director, or failure to make replacement of rejected articles, when so requested immediately or as directed by the Director, the Director may purchase from other sources to take the place of the items rejected or not delivered. The Director reserves the right to authorize immediate purchase from other sources against rejections on any order when necessary. On all such purchases the Vendor agrees to promptly reimburse the County for excess cost occasioned by such purchases. Should the cost be less, the Vendor shall have no claim to the difference. Such purchases will be deducted from order quantity.
12. An order may be canceled at the Vendors expense upon nonperformance. Failure of the Vendor to furnish additional surety within ten (10) days from date of requested shall be sufficient cause for the cancellation of the order.
13. When in the determination of the Director, the articles or equipment delivered fail to meet County specifications or, if in the determination of the Director, the Vendor consistently fails to deliver as ordered, the Director reserves the right to cancel the order and purchase the balance from other sources at Vendor expense.
14. Delivery must be made as ordered and in accordance with the bid. If delivery instructions do not appear on order. It will be interpreted to mean prompt delivery. The decision of the Director as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of order shall rest with the Vendor.
15. The County Agencies will not schedule any deliveries for Saturdays, Sundays or Legal Holiday, except commodities required for daily consumption or where the delivery is an emergency, a replacement, or is overdue, in which event the convenience of the Agency will govern.
16. Supplies shall be securely and properly packed for shipment, according to accepted commercial practice, without extra charge for packing cases, reels, baling or sacks, the containers to remain the property of the agency unless definitely stated otherwise in the bid.
17. The Vendor shall be responsible for delivery of supplies in good condition at point of destination. The Vendor shall file all claims with carrier for breakage, imperfections and other losses, which will be deducted from invoices. The receiving Agency will note for the benefit of Vendor when packages are not received in good conditions.
18. All supplies which are customarily labeled or identified must have securely affixed thereto the original un-mutilated label or marking of the manufacturer.
19. Billings for deliveries must be rendered on County Claim forms.
20. Furniture, machines, and other equipment must be delivered, installed and set in place as directed, ready for use unless otherwise specified.
21. Deliveries are subject to reweighing at destination by the County and payment will be made on the basis of materials delivered. Normal shrinkage will be allowed in such instances where shrinkage is possible. Short weight shall be sufficient cause for cancellation of order at Vendors expense.
22. **GUARANTEES BY BIDDER** Bidder hereby guarantees: (a) To save the County, its agents and employees harmless from liability of any nature or kind for the use of any copyrighted or un-copyrighted compositions, secret process, patented or unpatented invention, article or appliance furnished or used in the performance hereof of which the Bidder is not the Patentee, assignee or licensee, and to defend any action brought against the County in the name of the County and under the direction of the County Attorney at the sole cost of the Bidder or in the sole option of the Director to pay the cost of such defense to the County. (b) His products against defective material or workmanship and to repair any damages or marring occasioned in transit.
- (c) To furnish adequate protection from damage for all work and to repair damages of any kind, for which he or his workmen are responsible, to the building or equipment, to this own work or the work of other Vendors, or in the opinion of the Director to pay for the same by deductions in payments due under this contract.
- (d) To pay for all permits, licenses and fees and give all notices and comply with all laws, ordinances, rules and regulations of the city, village or town in which the installation has to be made, and of the County of Nassau and the State of New York.
- (e) To carry proper insurance in the opinion of the Director, and approved by the County Attorney to protect the County from loss in case of accident, fire and theft.
- (f) That he will keep himself fully informed, of all municipal ordinances and regulations, state and national laws in any manner affecting the work or goods herein specified, and any extra work contracted for by him, and shall at all times observe and comply with said ordinances, laws and regulations, including all provisions of the Workmen Compensation and Labor Laws, and shall indemnify and save harmless the County of Nassau and the Nassau County Legislature from loss and liability upon any and all Claims on account of any physical injury to persons, including death, or damage to property and from all cost and expenses in suits which may be brought against the same on account of such injuries irrespective of the actual cost of the same and irrespective of whether the same shall have been due to the negligence of the Bidder or his agents.
- (g) That the items furnished shall conform to all the provisions of the bid and this warranty shall survive acceptance, or use of any material so furnished.
- (h) That all deliveries will not be inferior to the accepted bid sample.
23. **LABOR LAWS and ANTIDISCRIMINATION** Upon the vendor acceptance hereof, the vendor agrees to comply with Article IX, Section 2 C of the Constitution of the State of New York, Section 220a, 220b, 220d, 220e and 230 of the Labor Law, Section 5 and 12 of the Lien Law, Article 2 of the Uniform Commercial Code, Sections 108 and 109 as well as Article 18 of the General Municipal Law, Section 2218 of the County Government Law of Nassau County Section 224.2 of the Nassau County Administrative Code, the provisions of the anti-Discrimination Order of Nassau County, and the vendor shall keep himself fully informed of all additional municipal ordinances and regulations, State and National Laws in any manner affecting this order and the goods or services delivered or rendered or to be delivered or rendered there under, and shall at all times observe and comply with said ordinances, laws and regulations at his sole cost and expense.
24. **ASSIGNMENT.** The contractor is hereby prohibited from assigned, transferring, conveying, subletting or otherwise disposing of this contract or his right, title, or interest therein, or his power to execute such contract, to any other person or corporation without the previous consent in writing of the officer, board or agency awarding the contract.
25. The County of Nassau will not be responsible nor liable for any shipment or delivery of any materials, supplies, or equipment without it's express written instructions or valid Purchase Order.
26. No agreements, changes, modifications or alterations shall be deemed effective nor shall the same be binding upon the County unless in writing and signed by the Director, Office of Purchasing or his duly designated representative.

DISCLOSURE STATEMENT

THE NASSAU COUNTY LEGISLATURE REQUIRES THE FOLLOWING INFORMATION PRIOR TO CONSIDERATION FOR AN AWARD.

Bidders Name: ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.

Address: 201 South First St.; Elizabeth, NJ 07206

Telephone No: 908-355-5800

Fax No:

1. State Whether: A Corporation X
Individual _____
Partnership _____

GUIDELINES FOR DISCLOSURE

THE NASSAU COUNTY LEGISLATURE REQUIRES THE NAMES AND HOME* ADDRESSES OF ALL PRINCIPALS. DISCLOSURE MUST BE PROVIDED AS INDICATED BY TYPE OF OWNERSHIP. (PLEASE LIST ALL REQUIRED INFORMATION ON A SEPARATE SHEET AND ATTACH TO BID.)

- 1) Sole Proprietorship/Individual. The Name and Home Address of the Sole Proprietorship/Individual.
- 2) Closely Held Corporation. The Name and Home Addresses of all Shareholders, Officers and Directors.
- 3) Publicly Traded Corporation. Only the page(s) of the SEC FORM 10-K setting forth the name of all officers and directors.
- 4) Not for Profit Corporation. The Names and Home Addresses of all members, Officer and Directors.
- 5) Partnership. The Names and Home Address of all General and Limited Partners.
- 6) Limited Liability Company. The Names and Home Addresses of all Members.
- 7) Limited Liability Partnership. The Name and Home Addresses of all Members.
- 8) Joint Venture. The Names and Home Addresses of all Joint Ventures.

NOTE: IF ANY ENTITY IS TIERED, YOU MUST ALSO LIST ALL INDIVIDUAL PRINCIPALS OF THE TIERED ENTITY.

*IN THE CASE OF PUBLICLY TRADED CORPORATIONS THE SEC FORM 10K SUFFICES AND HOME ADDRESSES ARE NOT NECESSARY.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

QUALIFICATION STATEMENT

BIDDER'S NAME: ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.

ADDRESS: 201 South First St.; Elizabeth, NJ 07206

1. STATE WHETHER: CORPORATION X INDIVIDUAL _____ PARTNERSHIP _____

2. IF A CORPORATION OR PARTNERSHIP LIST NAME(S) AND ADDRESS(S) OF OFFICER(S) OR MEMBER(S)
PRESIDENT : Andrew Shackett - 1500 Rahway Ave.; Avenel, NJ 07001

VICE PRESIDENT Ken Wunderlich - 1500 Rahway Ave.; Avenel, NJ 07001
Donna Miller - 1500 Rahway Ave.; Avenel, NJ 07001

SECRETARY Ken Wunderlich - 1500 Rahway Ave.; Avenel, NJ 07001

TREASURER Ken Wunderlich - 1500 Rahway Ave.; Avenel, NJ 07001

3. HAVE YOU FILED A QUALIFICATION STATEMENT WITH THE COUNTY OF NASSAU? No
IF SO WHEN?

4. HOW MANY YEARS HAS YOUR ORGANIZATION BEEN IN BUSINESS UNDER YOUR PRESENT NAME? 1

5. HAVE YOU, OR YOUR FIRM, EVER FAILED TO COMPLETE ANY WORK AWARDED TO YOU? _____
IF SO, WHERE AND WHY? No

6. IN WHAT OTHER LINES OF BUSINESS ARE YOU OR YOUR FIRM INTERESTED? _____
 Industrial, Decon, Disposal, Field, Lab Pack, On Site, Remediation, and Emergency Response Services

7. WHAT IS THE EXPERIENCE OF THE PRINCIPAL INDIVIDUALS OF YOUR ORGANIZATION RELATING TO THE SUBJECT OF THIS BID?

INDIVIDUALS NAME	PRESENT POSITION	YEARS OF EXPERIENCE	MAGNITUDE AND TYPE OF WORK	IN WHAT CAPACITY
Andrew Shackett	President & CEO	3	Executive	President & CEO
Ken Wunderlich	VP, Secretary, & Treasurer	1	Financial	VP, Treasurer, & Secretary
Donna Miller	VP	3	EH&S	VP

8. IN WHAT MANNER HAVE YOU INSPECTED THIS PROPOSED WORK? EXPLAIN IN DETAIL

ACV Enviro has reviewed the bid specifications as provided by the County of Nassau.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

9. THE CONTRACT, IF AWARDED TO YOU OR YOUR FIRM, WILL HAVE THE PERSONAL SUPERVISION OF WHOM? GIVE NAME AND PRESENT POSITION

Terry Earnest, Vice President - Transportation & Disposal Services

10. BIDDERS ARE REQUIRED TO COMPLETE THIS FORM PROVIDING THREE (3) REFERENCES OF PAST PERFORMANCE. REFERENCES SHOULD INVOLVE PROJECTS AND/OR SERVICE SITUATIONS OF SIMILAR SIZE AND SCOPE TO THIS BID. REFERENCES MUST HAVE HAD DEALING WITH THE BIDDER WITHIN THE LAST THIRTY-SIX (36) MONTHS. THE COUNTY RESERVES THE RIGHT TO CONTACT ANY OR ALL OF THE REFERENCES SUPPLIED FOR AN EVALUATION OF PAST PERFORMANCE IN ORDER TO ESTABLISH THE RESPONSIBILITY OF THE BIDDER BEFORE THE ACTUAL AWARD OF THE BID AND/OR CONTRACT. COMPLETION OF THE REFERENCE FORM IS REQUIRED.

NASSAU COUNTY (AND ANY OF ITS AGENCIES) MAY BE LISTED AS AN ADDITIONAL REFERENCE, BUT MAY NOT BE SUBSTITUTED FOR ANY OF THE THREE REQUIRED REFERENCES.

1. REFERENCE'S NAME: State of Massachusetts

ADDRESS: One Ashburton Place, RM 1017
Boston, MA 02108

TELEPHONE: 617-720-3101 CONTACT PERSON Gustav Pearson, Strategic Sourcing Manager - Operational Services Div.
CONTRACT DATE: Ongoing

2. REFERENCE'S NAME: State of New Hampshire

ADDRESS: 25 Capitol Street, RM 102
Concord, NH 03301

TELEPHONE: (603) 271-3350 CONTACT PERSON Paul Rhodes, Administrator III / Contract Manager - Department of
CONTRACT DATE: Ongoing Administrative Services, Bureau of Purchasing and Property

3. REFERENCE'S NAME: Port Authority NY / NJ

ADDRESS: dkotsianas@panynj.gov

TELEPHONE: 973-961-6279 CONTACT PERSON Dino Kotsianas
CONTRACT DATE: Ongoing

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

USE SEPARATE PAGE IF ADDITIONAL SPACE IS NEEDED.

I certify that all the statements contained in this document are true, complete and correct to the best of my knowledge and belief and are made in good faith, including data contained in the Organization's Relevant Experience. A false certification or failure to disclose information shall be grounds for disqualification or termination of any award.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

IRAN DIVESTMENT ACT COMPLIANCE CERTIFICATION

Pursuant to General Municipal Law Section 103-g, which generally prohibits the County from entering into contracts with persons engaged in investment activities in the energy sector of Iran, the Bidder submits the following certification:

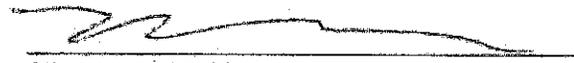
PLEASE CHECK ONE:

By submission of this Bid, I certify, and in the case of a joint Bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of my knowledge and belief, that the Bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law.

OR

I am unable to certify that the Bidder does not appear on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. I have attached a signed statement setting forth in detail why I cannot so certify.

Dated: July 28, 2020



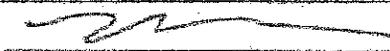
(Signature of Bidder)

Print Name: Ken Wunderlich

Print Title: Vice President, Treasurer, & Secretary

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

Appendix EE

EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined by such title and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make Best Efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, including the granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE



BIDDER

Vice President, Treasurer, & Secretary

TITLE

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation..

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefore or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not

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include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation.
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation.
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in Best Efforts with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation.
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation.
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (i) of these rules.

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As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

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INDEMNIFICATION:

Contractor agrees to indemnify and hold harmless County and its agents, officers and employees, from and against any and all losses, costs, expenses (including attorneys' fees and disbursements), damages and liabilities, arising out of or in connection with any acts or omissions of Contractor, its officers, agents or employees, provided, however, that Contractor shall not be responsible for that portion, if any, of a loss that is caused by the negligence of the County; and provided, further, that Contractor shall not be liable for consequential, indirect or special damages. Contractor shall, at County's demand and at County's direction, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought against County, its agents, officers or employees in connection with a loss for which Contractor is responsible under this paragraph.

DEFINITIONS:

- The term "County" as used herein, shall be deemed as reference to the County of Nassau, State of New York.
- The term "Contractor" as used herein, shall be deemed as reference to the successful bidder, vendor, proprietor, partnership, or corporation receiving an award to perform any or all of the services specified herein in accordance with the terms of this agreement.
- The term "agency" as used herein, shall be deemed as the department, division, bureau, office, agency or other Nassau County establishment authorized to receive the service specified herein.
- The term "Director" as used herein, shall be deemed as reference to the Director of the Office of Purchasing.
- The term "Blanket Order" as used herein, shall be deemed as the multiple use pricing agreement as a result of this bid.
- The term "Purchase Order" as used herein, shall be deemed as the single use pricing agreement as a result of this bid.
- The term "complete" as written in this bid must include all equipment, delivery and installation of same in its entirety, as listed in the contract documents, and is to include all supervision, labor, materials, plant equipment, transportation, testing, (if required) incidentals, and other facilities as necessary and/or required to execute all the work as herein specified, or as incidentally required to provide a complete operating installation.

NOTE: INSERT FEDERAL IDENTIFICATION NUMBER IN SPACE PROVIDED ON PAGE 1.

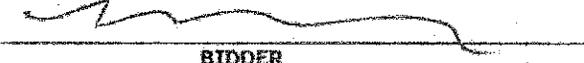
M/WBE, SDVOB and DBE Participation: The County encourages the participation of certified Service-Disabled Veteran-Owned Businesses ("SDVOB"), Minority or Women-Owned Business Enterprises ("M/WBE"), and Disadvantaged Business Enterprises ("DBE") in the bidding process. A Contractor that is certified by New York State or the County as a SDVOB, M/WBE, and/or DBE should include this information in their bid. For more information regarding the County's SDVOB, M/WBE, or DBE programs, please visit the Nassau County Office of Minority Affairs website

IMPORTANT

PRICE MUST BE INSERTED WITH TYPEWRITER OR INK. BIDS MUST BE SIGNED IN INK. TO ASSURE OFFER REACHING IN TIME, **YOU ARE URGED TO MAIL YOUR FORMAL SEALED BID EARLY. THIS FORMAL SEALED BID MUST REACH OUR OFFICE BY 11:00 A.M.** LATE FORMAL SEALED BIDS WILL NOT BE ACCEPTED.

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REQUIRED VENDOR DISCLOSURE FORMS

Prior to the bid opening, the following disclosure forms (the "Disclosure Forms") must be submitted in the Nassau County Vendor Portal at

https://apex5.nassaucountyny.gov/ords/f?p=312:LOGIN_DESKTOP:3445712403627:

- a. A duly completed and verified Business History Form, together with a current certified or verified financial statement and/or other commercially reliable written evidence of the bidder's credit, financial standing and capacity to perform in accordance with the terms of the Contract.
- b. All officers, and any individuals who hold a ten percent (10%) or greater ownership interest in the bidder, shall complete and verify the Principal Questionnaire.
- c. The County of Nassau Consultant's, Contractor's and Vendor's Disclosure Form
- d. Additionally, if the bidder utilizes the services of any individual or organization for the purposes of conducting lobbying activities and is awarded the contract, the successful proposer will be required to provide a copy of the Lobbyist Registration and Disclosure Form, completed and verified by that individual/organization.

PLEASE NOTE:

- If a bidder has previously submitted the Disclosure Forms in the Nassau County Vendor Portal, the bidder must ensure that the forms on file in the Portal are current, accurate, and have been recertified within three (3) months prior to the bid opening date. The bidder must also ensure that their response to question 7, and its subparts, on the Consultant's, Contractor's, and Vendor's Disclosure Form is provided in relation to the specific solicitation under consideration.

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REQUESTS FOR INFORMATION OR CLARIFICATION

Before bidding, bidders must examine all of the Contract documents, including the specifications, any drawings, and all instructions. If the bidder finds any inconsistency, ambiguity, omission or error in the specifications, drawings, instructions or any other Contract document, or if the bidder is in doubt as to the meaning of any term or condition of the Contract, the bidder must promptly so notify the **Office of Purchasing** in writing prior to the bid opening. The failure of the bidder to notify the **Office of Purchasing**, prior to the bid opening of any inconsistency, ambiguity, omission or error that the bidder actually found, or that should have been discovered by a reasonably prudent bidder, will preclude and negate acceptance of the bidder's claim.

If the **Office of Purchasing** receives a notification from a bidder of a differing site condition or an inconsistency, ambiguity, omission or error in the Contract documents, the **Office of Purchasing** will, as it deems necessary or desirable, issue a written interpretation or correction to the Contract documents as an amendment to the Contract documents. Any such amendment will be made available electronically to each person that received a copy of the Contract documents as reflected in the records of the **Office of Purchasing**, and any such amendment will also be available at the place where the Contract documents are available for inspection by prospective bidders.

Upon such mailing or delivery, such amendment shall become part of the Contract documents and shall be binding on all bidders, whether or not they have had actual notice of such addendum.

Please note that all bidder requests for information or clarification must be received by the Authority at least 72 hours prior to the bid opening. Any bidder requests for information or issues with the contract documents presented after that time may not be addressed by the Office of Purchasing.

Ordinance # 153-2018

Pursuant to Ordinance # 153-2018, a bidder that is awarded a contract under this bid is required to pay the County an administrative service charge in accordance with the following schedule:

<u>Value of Contract</u>	<u>Administrative Fee</u>
\$0-\$10,000	\$0
Over \$10,000-\$50,000	\$160
Over \$50,000-\$100,000	\$266
Over \$100,000	\$533

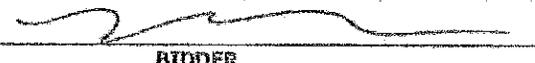
After an award, the successful bidder(s) will be notified by the Director of Shared Services, or their designee, when payment of the administrative charge is due. Please note, if you are a religious, charitable, nonprofit, or not-for-profit organization, please include this information in your bid for consideration by the Director of the Shared Services to waive the fee.

Ordinance # 72-2014

The bidder declares that they are a registered vendor with the County. All registered vendors must pay a Two Hundred Seventy-Five Dollar (\$275.00) per contract fee to register Blanket contracts on the County's procurement website, as required under Ordinance # 72-2014.

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INTENT

SCOPE: It is the INTENT of the County of Nassau to properly describe by these specifications, terms and conditions an adequate method of providing **Hazardous Materials Transport Storage and Disposal** for the agency or agencies named herein in order that they may enjoy uninterrupted service in consideration for payment of the price bid.

PURPOSE: The purpose of this bid is to establish a price structure on which items and/or services listed herein will be made under Blanket orders.

PERIOD COVERED: Shall be for one (1) year from the effective date. The County of Nassau reserves the right to extend the Blanket Order up to an additional four (4) year(s), at up to one (1) year options. However, the termination of the Blanket Order may be further extended up to two (2) months beyond the stated termination date. The maximum period of any Blanket Order as a result of this bid with renewal options applied shall be five (5) year(s), and if the further extension is applied, five (5) years and two (2) months.

ALL EXTENSIONS ARE SUBJECT UPON THE MUTUAL CONSENT OF BOTH PARTIES.

FIRM PRICES Price shall remain firm for the first year of the Blanket Purchase Order and no upward escalation will be permitted. Thereafter, increases in labor and/or material(s) costs may be considered provided they are based on certified labor contracts, uncontrollable materials costs which can be verified in national publications or other increases auditable by the County of Nassau. The burden of proof for such increases shall be upon the Contractor and shall be formally directed to the Director of Purchasing. The decision as to whether or not such increases will be granted shall be made by the Director of Purchasing and shall be final. In the event an increase is not granted when requested, the Contractor may elect to continue at the bid prices or given written notice of termination, upon receipt of which the Blanket Purchase Order will be re-bid.

AWARD: Award, if any, will be made to the lowest responsible bidder, who in the opinion of the Director of Purchasing, meets the specifications and qualifications stated herein. The Director of Purchasing reserves the right to make an award be items, groups, or classes of items or as a whole. Awards will be made in accordance with the terms and conditions attached hereto and made part hereof.

DELIVERY: Bidders are required to state guaranteed delivery date in terms of days after receipt of order in the space provided below and on page one. Bidders are cautioned to post realistic delivery dates. Guaranteed delivery dates will be strictly enforced. Must be made within 15 days A/R/O unless stated otherwise below:

Delivery to be made 14 **Days A/R/O.**

Delivery shall be made **ONLY** upon receipt of a Purchase Order, or in the case of a Blanket Order, upon receipt of a Direct Purchase Order(s) from a using agency authorized to use the Blanket Order which will be issued to the successful bidder. Purchase Order and Direct Purchase Order shall indicate the destination address. Inside delivery is required on all deliveries. Bidders agree that all orders shall be effective and binding upon the contractor when PLACED IN THE MAIL addressed to the Contractor at the address shown on the Blanket Order/Purchase Order PRIOR TO MIDNIGHT OF THE FINAL DAY OF CONTRACT.

INSPECTION: Bidders should be aware of Inspection and Delivery requirements as stipulated.

BILLING: Shall be made on County claim forms or Certified Invoices to the individual using County Agency upon completion of deliveries made against applicable Purchase Order(s) or Direct Purchase Order(s).

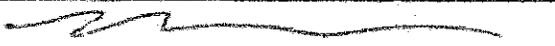
NO PARTIAL PAYMENTS WILL BE PAID.

*****VENDOR CLAIM CERTIFICATION*****

IF A CLAIM VOUCHER IS NOT BEING SUBMITTED, THE FOLLOWING CERTIFICATION **MUST** APPEAR ON THE INVOICE:

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I HEREBY CERTIFY THAT ALL ITEMS OR SERVICES WERE DELIVERED OR RENDERED AS SET FORTH IN THIS CLAIM; THAT THE PRICES CHARGED ARE IN ACCORDANCE WITH REFERENCED PURCHASE ORDER, DIRECT PURCHASE ORDER OR CONTRACT, THAT THE CLAIM IS JUST, TRUE AND CORRECT; THAT THE BALANCE STATED HEREIN IS ACTUALLY DUE AND OWING AND HAS NOT BEEN PREVIOUSLY CLAIMED; THAT NO TAXES FROM WHICH THE COUNTY IS EXEMPT ARE INCLUDED; AND THAT ANY AMOUNTS CLAIMED FOR DISBURSEMENTS HAVE ACTUALLY AND NECESSARILY BEEN MADE.

Ken Wunderlich

CLAIMANT NAME
July 28, 2020

DATE


BY (SIGNATURE) Vice President, Secretary, & Treasurer
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CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID*

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

PAYMENT: A certified invoice, or a County claim form to which the invoice is attached, shall be submitted in arrears, directly to the using agency, supported by vouchers signed by agency personnel attesting to satisfactory completion of the required services as specified.

*******VENDOR CLAIM CERTIFICATION*******

If a claim voucher is not being submitted, the following certification MUST appear on the invoice:

I hereby certify that all items or services were delivered or rendered as set forth in this claim; that the prices charged are in accordance with referenced purchase order, delivery order or contract, that the claim is just, true and correct; that the balance stated herein is actually due and owing and has not been previously claimed; that no taxes from which the County is exempt are included; and that any amounts claimed for disbursements have actually and necessarily been made.

Claimant Name

Date

By Signature

Title

CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID.

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

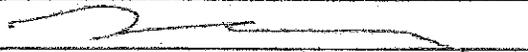
RETENTION OF BID: Vendor is required to make a copy of his completed bid document and applicable attachments. Any purchase orders issued against this bid will refer to the bid and attachments to designate items awarded.

METHOD OF BIDDING: Please submit unit price in the appropriate column.

PRICE DISCREPANCY: In the event of a discrepancy between the unit price and the extension price, the unit price will govern.

WARRANTY: The successful bidder warrants the equipment furnished and all associated equipment against any defects in design, workmanship and materials against failure to operate satisfactorily for one (1) year from the date of acceptance by the using department and/or agency of the equipment, other than defects or failure shown by the Contractor that have

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arisen solely from accident or abuse occurring after delivery to the Nassau County agency. Contractor agrees to replace any parts, which in the opinion of the user, shall fail from the above reasons.

IMPORTANT NOTES: If a company policy or trade practice requires a different warranty period, the bidder may so state without fear of disqualifications. However, the bidder is cautioned that the length of warranty may, in some cases, be a deciding factor in making an award.

Equipment furnished hereunder shall meet the standards set forth in the Occupational Safety and Health Act of 1970.

BIDDER SHALL STATE WARRANTY

PERIOD: N/A - We are a service provider

NOTE: All warranties take effect only upon written acceptance of equipment by using agency and shall run full term from that point.

BIDDER SHALL INDICATE COST AND TERM OF ANY EXTENDED WARRANTY OPTION, IF AVAILABLE:

N/A - We are a service provider

TAX PROVISION: Purchases made by the County of Nassau are not subject to State, Local Sales Taxes or Federal Excise Taxes. Federal Exemption #A-109538 State Exemption #EX 7213062C. The County of Nassau is not subject to any Existing "Fair Trade Agreements" and bidders should be governed accordingly.

REDUCTION IN PRICES: If an award is made, the Contractor agrees, should prices be reduced to the general trade during the requirement period, the County shall receive the benefit of such reduction immediately upon effect. It shall be incumbent upon the Contractor to notify the Purchasing Department of such price reductions.

PRICE PROTECTION: Bidders are required to state period of price protection (in terms of days) after the bid opening.

STATE PRICE PROTECTION PERIOD: 90 **DAYS AFTER BID OPENING**

EXTENSION OF PRICE: It is anticipated that additional quantities of items specified herein may be required in the ensuing year. According, the County of Nassau requests that the prices bid be protected and be available to the County of Nassau for one (1) year from the date of the award. Economic conditions may not permit the price protection for an entire year. Bidders are requested to state the period for which bid prices will be applicable to potential additional orders.
90 days.

SPECIFICATIONS: Submit complete specifications and illustrations of products offered with the bid. Acceptance of a bid and designation of a manufacturer's catalog description, brand name or number in any Purchase or Blanket Order resulting there-from shall not be construed as qualification of the specifications of this bid or relief there-from, except as specifically stated in the Purchase or Blanket Order.

PRODUCT IDENTIFICATION: If a product(s) is identified by a BRAND NAME, a substitute of equal quality, construction, finish, composition, size, workmanship and performance characteristics may be acceptable. In submitting a bid, each bidder warrants that the substitute product being offered is an equal. Bid sheets shall be so noted of the manufacturer's name and brand of the product offered as an equal. If as a result of an award, a delivery is made of a brand or product represented as an equal which is subsequently deemed to be unacceptable, the Contractor shall be required, at his expense, to pick up the

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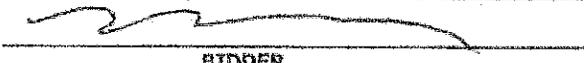
rejected item and replace it with brand(s) listed in this bid, or an acceptable equal which will have the approval of the Director.

PROTECTION FROM CLAIM AGAINST "OR EQUAL": In the event of any claim by any unsuccessful bidder concerning or relating to the issue of "equal or better" or "or equal", the successful bidder agrees, at his own cost and expense, to defend such claims or claims and agrees to hold the County of Nassau free and harmless from any and all claims for loss or damage arising out of this transaction for any reason whatsoever.

EQUIVALENT BIDS: Bidders may offer a product of the same capability, but of different manufacture and model than that specified in this bid. The use of the name of a manufacturer, brand, make or catalog designation in specifying items described herein does not restrict or preclude bidders from offering equivalent or better product bids. Such a designation is used only to indicate the character, quality and minimum performance desired. Equal or better product bids are permissible. A bidder submitting an equal or better product shall, at his own cost and expense be responsible for submitting proof and/or a demonstration of equivalence, compatibility and performance. However, acceptance of an equivalent product shall be strictly at the discretion of the Director. Any omission of the term "or equal" in any specific bid item listing should be disregarded by the bidder. All bidders shall have an absolute right to submit "equivalent" bids notwithstanding any other provision of the bid specifications.

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ALTERNATIVE ITEM: In submitting a bid on a commodity other than as specified, bidder shall furnish complete data and identification with respect to the alternate commodity he proposes to furnish. Consideration will be given to proposals submitted on alternate commodities to the extent that such action is deemed to serve the best interests of the County. If a bidder does not indicate that the commodity he proposes to furnish is other than as specified, it will be construed to mean that the bidder proposes to furnish the exact commodity as described. Consideration of the alternate shall be at the sole discretion of the Director. **MORE THAN ONE (1) BID ON EACH ITEM WILL NOT BE CONSIDERED, UNLESS OTHERWISE SPECIFIED BY THE COUNTY.**

REPLACEMENT PARTS: The requirements specified herein represent, for the most part, replacement and/or repair components to existing and presently owned equipment, and must match and inter-member without modification with the equipment and systems indicated.

ADDITIONAL BIDS: The County reserves the right, for any un-contemplated additional requirements of extraordinary quantities of particular items to call for new bids, therefore, whenever in the opinion of the Director of the Office of Purchase it is in the best interests of the County of Nassau to do so.

NON-ASSIGNMENT: In accordance with Section 138 of the State Finance Law, the contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of Nassau County and any attempts to assign the contract without the County's written consent are null and void.

NON PERFORMANCE

The Contractor agrees that in the event any of the services provided for under the terms of this contract should in any way be omitted or unsatisfactorily performed by the Contractor and/or his employees, the county shall so notify the contractor verbally and follow with a written notification of the deficient services for immediate correction. In the event the Contractor does not correct the deficient services after receipt of written notification, the Nassau County Department concerned will deduct a percentage based on the work not performed or performed unsatisfactorily from the Contractor's claim for the period covered. If the Contractor continues to omit or unsatisfactorily perform the required services, the County will arrange for the work to be done by another contractor and the cost of such work shall be deducted from any monies due or that may become due to the Contractor.

DISCLAIMER

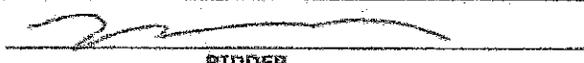
Any Blanket Purchase Order issued as a result of this bid will establish terms and conditions pursuant to which certain materials and/or services are to be supplied or performed, from time to time, for a specified period upon issuance by the County of Delivery Orders. The Blanket Purchase Order is non-exclusive and the County is not bound to purchase, and no materials are to be delivered or services performed without a Delivery Order. The County shall be under no obligation whatsoever to issue such Delivery Orders. The Blanket Purchase shall not apply in any way to items of material or service deemed by the County in its sole discretion to be extraordinary or involve any special conditions, quantities, circumstances or complexities.

EVALUATION:

The Director of the Office of Purchasing (hereinafter known as the Director) reserves the right before making award to make investigations as to whether or not the items, qualifications, services or facilities offered by the Bidder meet the requirements set forth herein and are ample and sufficient to insure the proper performance in the event of an award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which he is bidding. Upon request of the Director of Purchasing, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

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BIDDER

Vice President, Treasurer, & Secretary

TITLE

NOTICE

READ THIS PAGE OF THE BID CAREFULLY

ALL BIDDERS MUST COMPLY WITH THIS REQUIREMENT OR YOUR BID WILL BE AUTOMATICALLY REJECTED

RIGHT TO KNOW LAW AND "OSHA"

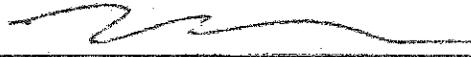
PURSUANT TO ARTICLE 28, SECTION 876 OF THE LABOR LAW OF THE STATE OF NEW YORK, THE COUNTY OF NASSAU HAS MANDATED EMPLOYER'S RESPONSIBILITY TO PROVIDE NOTICE TO EMPLOYEES REGARDING TOXIC SUBSTANCES. TO SATISFY THIS MANDATED REQUIREMENT, WE MUST ASK FOR YOUR COOPERATION. SOME OF THE MATERIAL ON THIS BID MAY CONTAIN TOXIC SUBSTANCES. THEREFORE, YOU MUST SUBMIT, WITH YOUR BID, "MATERIAL SAFETY DATA SHEETS" FOR ALL MATERIALS TO BE SUPPLIED PURSUANT TO THIS BID.

FAILURE TO PROVIDE THIS INFORMATION WITH THE BID WILL RESULT IN AUTOMATIC REJECTION OF THE BID.

IF YOUR PRODUCT **DOES NOT** CONTAIN TOXIC SUBSTANCES, PLEASE SIGN THE FOLLOWING CERTIFICATION:

CERTIFICATION:

I HEREBY CERTIFY THAT I HAVE READ THE NASSAU COUNTY NOTICE, AND FURTHER CERTIFY THAT ITEMS NUMBERED 1-6, 24-26, and 41-46 are non-haz / _____ DO NOT CONTAIN ANY TOXIC SUBSTANCES.

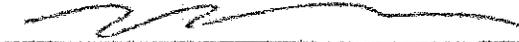
X 

Signature

Vice President, Treasurer, & Secretary
Title

July 28, 2020
Date

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ACCESS CLAUSE: Contractor, including its satellites, offices and/or subcontractors, if any, shall maintain full and complete books and records of accounts pertaining to this agreement, in accordance with accepted accounting practices and such other records as may be reasonably prescribed by the County of Nassau. Such books and records shall at all times be available for audit and inspection by the completion of all the services described in this agreement. Contractor further agrees that if any provision of Section 952 of the Omnibus Reconciliation Act of 1980 (PL-96-499) is found by a body of competent jurisdiction to be applicable to this contract, the Contractor agrees that it will make available upon written request by the Secretary of Health and Human Services, or the Comptroller General of the General Accounting Office, or any of their duly authorized representatives, a copy of this contract and any executed amendments thereto documents which relate to the calculation of the charges stated in the contract and copies of service reports documenting services performed. Such records will be available in accordance with the above for the period of six (6) years after the furnishing of any of the services described in this contract.

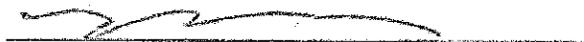
TERMINATION PREROGATIVE: The Director reserves the right to cancel the Blanket Order by giving not less than thirty (30) days written notice that, on or after a date therein specified, the contract shall be deemed terminated and cancelled.

VENDOR RESPONSIBILITY CRITERIA: The Director of Purchasing reserves the right before making an award to make investigations as to whether or not the qualifications, services, facilities or items offered by the bidder meet the requirements set forth herein and are ample and sufficient to ensure the proper performance in the event of an award. The bidder must be prepared, if requested by the Director of Purchasing, to present evidence of experience, ability, financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which the vendor is bidding. Upon request of the Director, the successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bid are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing, or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the forgoing shall mean or imply that it is obligatory upon the Director to make any examinations before an award; and it is further understood that, if such examination is made, it in no way relieves the bidder from fulfilling all requirements and conditions of the bid.

IMPORTANT NOTE: The Director reserves the right to accept or reject any and all bids, or separable portions of offers, and waive technicalities, irregularities, and omissions if the Director determines the best interests of the County of Nassau will be served. The Director, in his sole discretion, may accept or reject illegible, incomplete or vague bids and his decision shall be final. A conditional or revocable bid which clearly communicates the terms or limitations of acceptance may be considered and contract award may be made in compliance with the bidder's conditional or revocable terms in the offer. Prior to award, the Director reserves the right to seek clarifications, request bid revisions, or to request any information deemed necessary for proper evaluation of bids from all bidders deemed to be eligible for contract award. Failure to provide requested information may result in rejection of the bid.

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NON-COLLUSIVE BIDDING CERTIFICATION REQUIRED BY SECTION 139-D OF THE STATE FINANCE LAW

BY SUBMISSION OF THIS BID, BIDDER AND EACH PERSON SIGNING ON BEHALF OF BIDDER CERTIFIES, AND IN THE CASE OF A JOINT BID, EACH PARTY THERETO CERTIFIES AS TO ITS OWN ORGANIZATION, UNDER PENALTY OR PERJURY, THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF:

[1] The prices of this bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purposes of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor;

[2] Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to opening, directly or indirectly, to any other Bidder or to any competitor; and

[3] No attempt has been made or will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

A BID SHALL NOT BE CONSIDERED FOR AWARD NOR SHALL ANY AWARD BE MADE WITH [1], [2], [3] ABOVE HAVE NOT BEEN COMPLETE WITH; PROVIDED HOWEVER, THAT IF IN ANY CASE THE BIDDER(S) CANNOT MAKE THE FOREGOING CERTIFICATION, THE BIDDER SHALL SO STATE AND SHALL FURNISH BELOW A SIGNED STATEMENT WHICH SETS FORTH IN DETAIL THE REASONS THEREFORE:

[AFFIX ADDENDUM TO THIS PAGE IF SPACE IS REQUIRED FOR STATEMENT]

Subscribed to under penalty of perjury under the laws of the State of New York,

this 28th day of July, 2020 as the act and deed of said Corporation or Partnership.

Identifying Data:

Potential Contractor: ACV Environmental Services, Inc. fka Allstate Power Vac, Inc.

Address:

Street: 201 South First St.

City, Town, etc: Elizabeth, NJ 07206

Telephone: 908-355-5800 Title: VP, Treasurer, & Secretary

If applicable, responsible Corporate Officer

Name Ken Wunderlich Title VP, Treasurer, & Secretary

Signature:  

FAILURE TO COMPLETE THIS FORM AND SIGN IN APPROPRIATE PLACE SHALL RESULT IN AUTOMATIC REJECTION OF THE BID.

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Vice President, Treasurer, & Secretary
TITLE

GENERAL INSTRUCTIONS: All bidders must adhere to the following conditions:

As per New York State Municipal Law 103, no exception can be taken to any material term and/or condition of this bid with the exception of any warranties as presented in this bid for the specific commodity or service required.

Any language in any proposal or document submitted by a bidder as part of their bid that is accepted by the County of Nassau cannot be in conflict with any material term and/or condition relevant to this bid with the exception of any warranties or the specifications of the commodity of service required by this bid. If there is any conflict between the bidder's terms and conditions and the terms and conditions of this bid, the terms and conditions of this bid shall govern.

Bidders must insert **FEDERAL IDENTIFICATION NUMBER** in the space provided on page one of this bid.

Late Formal Sealed Bids will NOT be accepted. Bidders are urged to mail bids early to assure delivery on time. Bids must be received by 11:00 A.M. on the bid opening date.

Prices **MUST** be inserted with **TYPEWRITER OR INK**. Entries with **WHITE OUT, CROSS-OUTS OR LIFT-OFF TAPE** **MUST** BE INITIALED or that entry will be disqualified.

Bidders should submit bid with unit price in the appropriate column on bid pages or forms attached hereto. In the event of a discrepancy between the unit price and the extension, the unit price shall govern. Bidders shall submit one (1) original bid document and all applicable attachments. Any order issued against this bid will refer to the bid and attachments to designate items awarded. Bidders agree that all, Direct Purchase Orders and/or Purchase Orders shall be effective and binding upon the Contractor when placed in the mail, addressed to the Contractor at the address shown on the Direct Purchase Order or the Purchase Order.

Bidders **MUST** state manufacturer's name and catalog number of each item bid.

ABSOLUTELY NO MINIMUM ORDERS shall be applied to this bid.

Purchases made by Nassau County are not subject to State or Local Sales Tax or Federal Excise Taxes.

Federal Exemption Number: A-109538 **State Exemption Number: EX 7213062C**

Inside (receiving dock) delivery is required on all orders.

The rights and obligations of the parties under this agreement shall be governed by the laws of the State of New York.

Bids are hereby solicited for the commodities and/or services specified herein which are to be delivered and/or performed at the locations indicated, and in strict accordance with all specifications, terms and conditions attached hereto and made part hereof.

Bid document must be signed by proprietor, partner or corporate officer.

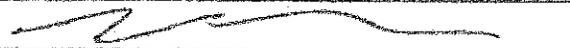
The clauses contained in these bid forms set forth the wishes of the County of Nassau in regard to the purchase and/or services required. However, the Director reserves the right to waive irregularities, omissions, or other technical defects if, in its judgment, the best interest of the County of Nassau will be served accordingly.

Bidders may take exception to paragraphs of the bid under a separate cover letter to be attached to this bid, indicating the specific bid page, paragraph and the exception(s). In any event, the decision of the Director will be final.

Qualification statement **MUST BE COMPLETED** and submitted with bid. See page 4 for further details

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TITLE

GENERAL CONDITIONS:

All repairs to be made in accordance with the Occupational Safety and Health Administration safety requirements.

Contractor will furnish all labor, materials, transportation, tools, instrumentation, parts and accessories necessary to repair and restore the equipment to optimum operating condition.

All Contractor personnel assigned to any requirement of a contract established must be fully qualified and cognizant of the required and applicable electrical codes and safety requirements, and must adhere to them.

All parts supplied must match and inter-member without modification to the designated equipment, and must be in accordance with the specifications of the manufacturer of the part to be replaced.

Except as otherwise specified, all contract requirements will be performed at the site as required.

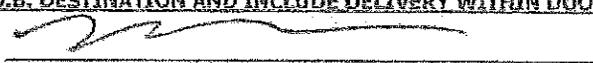
Any requirement to remove any part of the equipment or system(s), to the Contractor's shop, must be approved by an authorized agency representative. Nassau County shall supply all utilities which are available on location insofar as compatibility requirements permit.

All requirements performed by the Contractor will be subject to inspection and approval by an authorized designated representative of Nassau County.

Employees of the Contractor, while on service call, shall carry identification badges or cards and shall be instructed to submit same to scrutiny upon request of security or supervisory personnel of Nassau County.

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TITLE

Living Wage

Section 1. Authority and Usage

- a. These Rules are promulgated pursuant to Local Law 1-2006, section 7(b) which authorizes the County Executive to promulgate rules to implement the provisions of the Nassau County Living Wage Law.
- b. Wherever the term "Law" or "Living Wage Law" is used in this document, it shall mean Local Law 1-2006, otherwise known as the Nassau County Living Wage Law. Whenever the terms "Rule" or "Rules" are used in this document, it shall mean these Rules of the County Executive regarding the Nassau County Living Wage Law.

Section 2. Clarification of Terms

- a. Awarded. "Awarded" shall mean that time at which a contractor is selected by the County, or any department of the County, to receive county financial assistance, even if that time is before execution of a county financial assistance agreement by all parties or approval of such agreement by the County Legislature.

See Living Wage Law, § 5(a) "Certification of Compliance" and § 10 "Other Provisions"

- b. County Service Contract. "County Service Contract" shall mean any contract let to a contractor by the county for the furnishing of services to or for the county and that involves an expenditure equal to or greater than twenty-five thousand dollars. A contract for the sale of goods to the County, or a contract for the sale of goods where incidental services are being provided to the County, are not considered County Service Contracts. This definition shall not include contracts awarded pursuant to the county's emergency procurement procedure as set forth in section twenty-two hundred six of the county charter, inter-governmental agreements, agreements with state or local public authorities or agreements with local development corporations incorporated pursuant to section 1411 of the not-for-profit corporations law.

- c. County Financial Assistance. "County Financial Assistance" shall mean any grant, loan, tax incentive or abatement, bond financing, subsidy or other form of assistance of more than fifty thousand dollars given by or through the authority or approval of the county to an entity having at least ten employees. County financial assistance shall not include industrial development bonds, community development block grant loans, and enterprise-zone-related incentives.

- d. Employee and Employer.

i. Under Section 1 of the Living Wage Law, an "Employee" for the purposes of a county service contract is an employee of a county contractor "pursuant to one or more service contracts and who expends any of his or her time thereon." Thus, an Employee may be:

- A. Any person hired by a County contractor specifically to work on the County Service Contract at issue
- B. Any person employed by the County Contractor who works on the specific services contemplated by the County Service Contract

ii. An Employee is not:

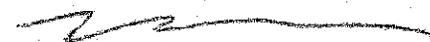
- A. An employee who provides services which are only incidental to the services specified in the County Service Contract.

An employee who does not provide any services contemplated under the County Service Contract in Question

iii. For the purposes of the Living Wage Law, Nassau Community College is not an employer as defined in the Law. However, service contractors, financial assistance recipients and lessees of the College are employers as defined in the law and are subject to the provisions of the Living Wage Law as they are applicable.

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See Living Wage Law, § 1 "Employee," "Employer"

e. Enter Into. "Enter into" shall mean that time at which both parties have signed the contract in question.

See Living Wage Law, § 1 "County Service Contract" and § 10(a) "Other Provisions"

3. Amendments, Extensions and Renewals

a. Renewals and Extensions. Where an existing County Financial Assistance Agreement, County Service Contract, or County Lease is renewed or extended after the effective date of the Law, such agreement is a new County Financial Assistance Agreement, County Service Contract or County Lease, as the case may be, and is subject to the applicable provisions of the Law.

b. Determination of Applicability.

i. County Service Contracts.

A. Any renewal of a County Service Contract is subject to the Living Wage Law if the total expenditure by the County under the renewal is \$25,000 or greater.

B. If a County Service Contract is extended or otherwise amended, such extension or amendment will be subject to the provisions of the Law if such amendment increases the total expenditure under the original agreement to an amount \$25,000 or over, or if such amendment itself involves an expenditure of \$25,000 or over. In no event shall the Law apply in a situation where an amendment involves an expenditure of less than \$25,000 and the original agreement already involves an expenditure of \$25,000 or over.

ii. County Financial Assistance Agreements.

A. Any renewal of a County Financial Assistance Agreement is subject to the Living Wage Law if the total expenditure by the County under the renewal is greater than \$50,000.

B. If a Financial Assistance Agreement is extended or otherwise amended, such extension or amendment will be subject to the provisions of the Law if such amendment increases the total expenditure under the original agreement to an amount over \$50,000, or if such amendment itself involves an expenditure over \$50,000. In no event shall the Law apply in a situation where an amendment involves an expenditure of \$50,000 or less and the original agreement already involves an expenditure over \$50,000.

iii. County Leases. Any renewal, extension or modification of a County Lease is subject to the provisions of the Living Wage Law.

See Living Wage Law, §10(a) "Other Provisions"

4. Waiver of the Law

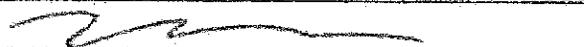
a. Application of the Provision

i. Any County Contractor may apply for a waiver of the provisions of the Law. In order to qualify as a County Contractor, the applying organization must have a County Service Contract with the County of Nassau. A County Service Contract is a contract which contemplates providing a service to the County (not goods or any service performed only to deliver goods) for which the County is paying \$25,000 or more. Both non-profit and for-profit County Contractors may apply for a waiver.

ii. At this time, the Living Wage Law does not allow a County Lessee or an entity receiving County Financial Assistance to apply for a waiver of the Law's provisions.

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b. Request for a Waiver The following procedures have been established by the County Executive for requesting a waiver of the provisions of the Living Wage Law:

i. Request for a waiver must be made to the Nassau County Office of Compliance. Since a waiver request must be made by a County Contractor who already has a contract with the County to provide services, a request for a waiver may only be made after the contract in question is entered into with the County.

ii. A request for a waiver must be made on the approved form designated "Request for Waiver of the Provisions of the Nassau County Living Wage Law." This form is attached to these rules. Additional forms may be requested by contacting the agency with which the requesting organization has a contract.

iii. Except for those requesting organizations with County Service Contracts listed in section 4(b)(iv)(E)(3) below, those requesting organizations which plan to request a waiver once a County Service Contract has been entered into must include, in their bid or proposal for the specific County Service Contract, a budget breakdown stating the amount of the budget allocated to wages (*assuming the Living Wage Law applies*), and the amount of the budget allocated to services and other contract expenses.

A. In any budget breakdown submitted, the requesting organization must include only those employees who are included within the definition of "Employee" described above.

B. Those County contractors who have been awarded a contract through Executive Order No. 1 of 1993, a state or federal grant, General Municipal Law section 104, or any other state or federal rule or regulation must submit the above budget breakdown to the contracting agency before such contract is entered into with the County in order to be eligible for a waiver.

iv. A waiver request must contain the following information:

A. The name of the organization

B. The address of the organization

C. A brief description of the contract which the waiver pertains to.

D. The name and email address of the Chief Executive Officer of the requesting organization

E. The criteria (hereinafter, the "Criteria") for qualifying for a waiver under the provisions of the Law. Currently, a requesting organization must meet either Criteria 1, 2 or 3 below, and, if Criteria 1, 2 or 4 are cited, must meet Criterion 5 below:

1. The highest paid officer or employee of the requesting organization earns a salary which, when calculated on an hourly basis, is less than six times the lowest wage or salary paid by the requesting organization.

OR

2. Compliance with the requirements of the Living Wage Law will directly increase the requesting organization's expected total annual budget in an amount greater than ten percent of the prior fiscal year's budget.

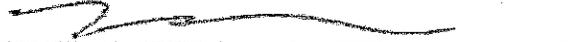
OR

3. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would exceed the amount, per hour or per diem (as the case may be), reimbursed to the County by any State or Federal Source:

Services under the Expanded In-Home Services for the Elderly Program (EISEP)

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Foster care services under the New York Social Services Law.
Residential domestic violence services under the New York Social Services Law.
Residential care, educational and vocational training, physical and mental health services, and employment counseling services to residents of the Juvenile Detention Center under the New York Executive Law.

OR

4. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would increase the County Service Contract's budget by greater than ten percent over the budget for the requesting organization's County Service Contract for the previous contracting year:

- i. Non-residential domestic violence services under the New York Social Services Law.
 - ii. Services under the Home Energy Assistance Program (HEAP)
- Preventive services for children pursuant to the New York Social Services Law
Non-Secure detention services pursuant to the New York Executive Law.

AND (if Criteria 1, 2 or 4)

5. When the requesting organization placed a bid or submitted a proposal for the county service contract at issue, it must have submitted a budget which included a breakdown of the wages paid to employees of the requesting organization who would be covered under the Living Wage Law.

F. A statement that, if a waiver is granted, the requesting organization will decrease its budgeted wage allocation to that amount the requesting organization would have paid its employees had the requirements of Living Wage Law not been applied. The amount to be paid by the County to the requesting organization will be reduced accordingly by contract amendment.

G. The notarized signature of the requesting organization's Chief Executive Officer.

v. A request must be accompanied by documentation supporting the Criteria claimed by the requesting organization.

A. If Criteria (1) is cited in the request, the requestor must include a statement, certified by the chief financial officer of the requesting organization as true and accurate, of the wages paid, on an hourly basis, of the highest and lowest paid individuals employed by the requesting organization.

B. If Criteria (2) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the last fiscal year along with a copy of the organization's expected budget taking into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

C. If Criteria (4) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the County Service Contract for the prior agreement year along with the requesting organization's budget for the County Service Contract for the current agreement year which takes into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

vi. The request form and all documentation must be sent to the following address:

County of Nassau Office of Compliance
Attention: Living Wage Waiver Request Office
One West Street - 4th Floor
Mineola, New York 11501

c. Waiver and Procurement

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i. As a waiver may only be requested once a County Service Contract has been entered into, no waiver application may be submitted by any organization submitting a bid or proposal to the County for a County Service Contract.

ii. The fact that a waiver may be granted to an organization submitting a bid or proposal to the County for a County Service Contract will not be a consideration in evaluating such bid or proposal.

d. Review Procedures

i. Review of a request for a waiver must be made by the Office of Compliance.

ii. Approval of a request is dependent on the requestor satisfying either criteria (1), (2) or (3) in section 4(b)(iv)(E) above and, if citing criteria (1), (2) or (4), criterion (5) in section 4(b)(iv)(E) above. Applications not satisfying these criteria, or incomplete applications, will not be approved. However, complete applications that do meet these criteria shall be approved by the Office of Compliance.

iii. The Office of Compliance shall inform the requestor of his or her decision to grant or deny a request in writing within thirty days of receipt of the request. A copy of the grant or denial shall be transmitted to the County Comptroller for the purposes of monitoring compliance with the Living Wage Law.

iv. During such thirty day period, the requestor must continue to abide by the provisions of the Living Wage Law. Failure to do so may result in action by the Office of the Nassau County Comptroller to enforce the provisions of the Law.

e. Post-Award Review

i. After the County grants a waiver, if at any time during the term of the County Service Contract the requesting organization alters its budget or wages such that the organization no longer qualifies for a waiver of the Living Wage Law, the requesting organization must contact the County department with which it contracts and inform such department of such alteration.

ii. If a County department is contacted in reference to such a change, the department must either:

Amend the County Service Contract in question to restore any funding subtracted from the contract as a result of a waiver of the Living Wage Law and receive from the Contractor a completed Certificate of Compliance; or

Terminate such Contract according to its terms.

See Living Wage Law, § 9 "Waiver"

5. Inter-Governmental Agreements

a. The Living Wage Law shall not apply to those County Service Contracts which are entered into with any municipal corporation located within the County, any school district located within the County, and any special district located within the County.

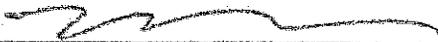
b. County Financial Assistance Agreements and County Leases. The Living Wage Law shall not apply to a County Financial Assistance Agreement or a County Lease in the event that application of the law would conflict with the application of a federal, state or local law, rule, regulation or ordinance. For the purposes of this Rule, the Living Wage Law would not apply to a County Financial Assistance Agreement or County Lease where funding for the Agreement or Lease is derived from a Federal or state grant where the distribution of such grant funds to certain subrecipients is mandatory and non-discretionary.

See Living Wage Law, § 1 "County Service Contract," "Inter-governmental Agreement;" § 3 "Minimum Compensation;" §10 "Other Provisions"

6. Certification of Compliance

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

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BIDDER

Vice President, Treasurer, & Secretary

TITLE

a. An updated certification of compliance with the provisions of the Living Wage Law shall be submitted to the County on or before the first day of each agreement year during the term of any County Service Contract.

b. For the purposes of updating a certification of compliance, a "material change" as used in the Law shall be limited to the following:

i. Any determination by the County Comptroller that the contractor has violated any provision of the Law.

ii. Any instance during the preceding year in which the contractor has been found by a court or governmental agency to have violated federal state or local laws regulating payment of wages or benefits, labor relations or occupational safety and health, or where any governmental body has initiated a judicial action, administrative proceeding or investigation of the contractor in regard to any of the above laws.

See Living Wage Law, § 5 "Certification of Compliance"

7. Nassau County Employees

a. All Nassau County Employees are covered by the provisions of the Living Wage Law, provided, however, that Nassau County Employees covered by the collective bargaining agreement between the County and the Civil Service Employees Association are not entitled to receive the benefits supplement rate as the term is defined in the Law. The provisions of the Law also extend to paid interns hired by the County.

b. The Living Wage Law does not apply to volunteer workers utilized by the County pursuant to the County's authority to use volunteer workers under § 2105 of the Nassau County Charter. As such, the Law does not cover unpaid interns utilized by the County.

See Living Wage Law, § 1 "Employee," "Employer," § 10 "Other Provisions"

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

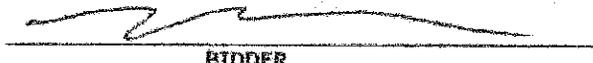
The chief executive officer of the Contractor is:

Andrew Shackett (Name)
1500 Rahway Ave.; Avenel, NJ 07001 (Address)
732-375-9988 (Telephone Number)

The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

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Vice President, Treasurer, & Secretary

TITLE

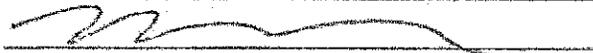
In the past five years, Contractor _____ has X has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has X has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

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BIDDER

Vice President, Treasurer, & Secretary
TITLE

OFFICE OF PURCHASING
COUNTY OF NASSAU STATE OF NEW YORK

FORMAL SEALED BID PROPOSAL
92645-07300-107

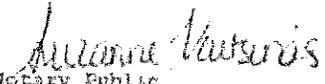
July 26, 2020
Date


Signature of Chief Executive Officer

Andrew Starkett
Name of Chief Executive Officer

Sworn to before me this

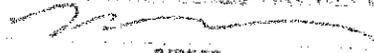
26th day of July, 2020


Notary Public

SUZANNE VOUTSINAS
NOTARY PUBLIC OF NEW JERSEY
Comm. # 50058884
My Commission Expires 4/27/2022

ALL BIDS SHALL BE FOR DELIVERY AND INSTALLATION WITHIN 90 DAYS UNLESS OTHERWISE NOTED.

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BIDDER

Mr. Robert A. ...
TITLE

NY STATE LABOR LAW

If any portion of work being Bid is subject to the prevailing wage rate provisions of the Labor Law, the following shall apply:

a. "Public Works" and "Building Services" - Definitions

i. Public Works Labor Law Article 8 applies to county contracts for public improvements in which laborers, workers or mechanics are employed on a "public works" project (distinguished from public "procurement" or "service" contracts).

ii. Building Services Labor Law Article 9 applies to Contracts for building service work with the county, that: (i) involve the care or maintenance of an existing building, or (ii) involve the transportation of office furniture or equipment to or from such building, or (iii) involve the transportation and delivery of fossil fuel to such building, and (iv) the principal purpose of which is to furnish services through use of building service employees.

b. Prevailing Wage Rate Applicable to Bid Submissions A copy of the applicable prevailing wage rates to be paid or provided are annexed to the Bid Documents. Bidders must submit Bids which are based upon the prevailing hourly wages, and supplements in cash or equivalent benefits (i.e., fringe benefits and any cash or non-cash compensation which are not wages, as defined by law) that equal or exceed the applicable prevailing wage rate(s) for the location where the work is to be performed. Bidders may not submit Bids based upon hourly wage rates and supplements below the applicable prevailing wage rates as established by the New York State Department of Labor. Bids that fail to comply with this requirement will be disqualified. Information indicating that prevailing wages are not being paid on a public works project will be forwarded to the New York State Department of Labor for investigation. Willful violations of the prevailing wage provisions of the Labor Law may result in debarment from the bidding and award of public contracts.

c. Wage Rate Payments / Changes During Contract Term The wages to be paid under any resulting Contract shall not be less than the prevailing rate of wages and supplements as set forth by law. It is required that the Contractor keep informed of all changes in the Prevailing Wage Rates during the Contract term that apply to the classes of individuals supplied by the Contractor on any projects resulting from this Contract, subject to the provisions of the Labor Law. Contractor is solely liable for and must pay such required prevailing wage adjustments during the Contract term as required by law.

d. Public Posting & Certified Payroll Records In compliance with Article 8, Section 220 of the New York State Labor Law:

i. Posting The Contractor must publicly post on the work site, in a prominent and accessible place, a legible schedule of the prevailing wage rates and supplements.

ii. Payroll Records Contractors and Subcontractors must keep original payrolls or transcripts subscribed and affirmed as true under the penalties of perjury as required by law. For public works contracts over \$25,000 where the Contractor maintains no regular place of business in New York State, such records must be kept at the work site. For building services contracts, such records must be kept at the work site while work is being performed.

iii. Submission of Certified Payroll Transcripts for Public Works Contracts Only Contractors and Subcontractors on public works projects must submit monthly payroll transcripts to the project manager for a public works project.

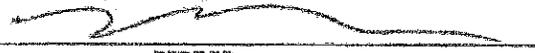
iv. Records Retention Contractors and Subcontractors must preserve copies of such certified transcripts for a period of three years from the date of completion of work on the awarded contract.

If this contract is for Building Service Work as defined in Article 9 of the Labor Law, State law prohibits other political subdivisions and districts within the County from making purchases pursuant to this agreement.

The County Living Wage Law, Title 57, Section 3(a)(i), states: employers who provide building services shall pay their employees no less than the living wage, as required by this section, or the prevailing wage, whichever is greater. In future bidding procedures, the requirement should be "vendor must pay the prevailing wage, or the County Living Wage, whichever is greater", or similar language.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

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TITLE

RECORD RETENTION: Contractor shall retain complete and accurate records and documents related to this Agreement for six (6) years following the later of termination or final payment. Such records shall at all times be available for audit and inspection by the County.

Governing Law – Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

PRE BID SITE VISITS: The prospective suppliers, when bidding, represents and warrants that he has visited and knows the site(s) or premise(s) upon which the work, as described in these bid specifications, is to be performed hereunder and that he has informed himself of all existing conditions affecting the work and as to the work of other coming in conjunction with his work. Failure of the bidder to thoroughly acquaint himself with the site and local conditions shall not relieve him of his responsibility, and shall not entitle him to any claim for extras. Bidders may call _____ for an appointment to visit the site.

Specifications:

Annual usage \$650,000.00

The following is a list of permits required to perform these services. Please submit a copy of each permit with your bid.

1. NYS 373Part
2. Required local Fire Department permit (flammable storage)
3. OSHA 40 CFR 1910.29 certification for employees
4. NYS Hazardous Waste Transporter permit
5. Env. Impairment liability

Price Schedule

Materials:

1. Steel USDOT 17E drum	\$ 35.00	each
2. 17H or equal NYDOT approved ring top 55 gallon drum empty	\$ 40.00	each
3. Sorbent Pads 3M brand or equivalent 3/8" X 18" X 18" (100 bale)	\$ 80.00	bale
4. Sorbent Pillows 3M brand or equivalent 5" X 14" X 25" (10/bale)	\$ 70.00	bale
5. Speedy dry (50 lb. bag)	\$ 15.00	bag
6. Vermiculite (50 lb. bag)	\$ 35.00	

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Vice President, Treasurer, & Secretary

TITLE

Transportation Storage & Disposal

For classification of materials i/a/w 40 CFR Part 201 all prices are 55 gallon drum unless otherwise noted

7. Waste flammable liquid (lab pack)	\$ <u>240.00</u>
8. Waste flammable liquid (bulk)	\$ <u>100.00</u>
9. Waste liquid (latex paintbulk)	\$ <u>100.00</u>
10. Waste flammable liquid (materials labpack)	\$ <u>240.00</u>
11. Aerosols (pesticides)	\$ <u>190.00</u>
12. " (nonpesticides)	\$ <u>190.00</u>
13. Waste flammable solid	\$ <u>270.00</u>
14. Asbestos	\$ <u>100.00</u>
15. Propane cylinders (each)	\$ <u>415.00</u>
16. Household batteries (nonsegregated)	\$ <u>950.00</u>
17. Poison liquid	\$ <u>215.00</u>
18. Poison solid	\$ <u>375.00</u>
19. Corrosive solid	\$ <u>270.00</u>
20. Corrosive liquid (acid)	\$ <u>270.00</u>
21. Corrosive liquid (base)	\$ <u>270.00</u>
22. Oxidizer	\$ <u>630.00</u>
23. Liquid waste, PCB contaminated, 50 PPM	\$ <u>950.00</u>
24. Disposal of empty 17H or 17E drums	\$ <u>30.00</u>
25. Lab packing cost per drum for packing & labeling by contractor personnel when required	\$ <u>150.00</u>
26 Cost to sample & classify where needed hazardous material prior to removal	\$ <u>1,500.00</u>
27 Removal of spent chlorinated solvents 1x 55 gallon drum of chlorinated liquid	\$ <u>350.00</u>
28 Removal of fluorescent light bulbs/4 foot box	\$ <u>50.00</u> per box
29. " " " " /8 foot box	\$ <u>55.00</u> per box

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Vice President, Treasurer, & Secretary

TITLE

Supplies*

41. 16 gallon drum \$ 35.00 /drum

42. 30 gallon drum \$ 45.00 /drum

43. 55 gallon drum \$ 55.00 /drum

43A DOT rate 4 ft. tube \$ 62.50 /tube

44. Pallet/Shrink Wrap \$ 4,500.00 /per pallet (48 boxes with 4 rolls in each box)

*supplies on as needed basis, intent is to use original packaging & shrink wrap to pallets

45. Repackaging fee per drum (if applicable) \$ 200.00

46. Transportation pickup (if applicable) \$ 450.00

Subcontracting no more than 10% markup

Subcontracting Markup 8 %

Vendor must have prior approval from using agency on all subcontracting work.

Rigging Cost Plus 10 %

Equipment Rental Cost Plus 0%

Self-Owned Equipment (Scaffolding, Boom Truck etc.) must have prior approval and will be billed at the most current version of the EquipmentWatch Blue Book Ownership and Operating rates when applicable. A copy of the most current EquipmentWatch page that displays the equipment that was used must be submitted with the claim.

Rigging must have prior approval from the using agency and will be reimbursed as long as a paid invoice is submitted with the claim

equipment rentals will be reimbursed as long as a paid invoice is submitted with the claim.

In all cases, all equipment rentals shall be approved by a designated County representative prior to commencement of work.

On all jobs performed by the vendor, job location shall be restored to a safe and aesthetically acceptable condition prior to departure.

Vendor must be able to work at multiple sites at any given time. Proof of adequate qualified employees may be requested prior to award.

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TITLE

Bidders are hereby advised that to insure and facilitate payment, the following information must accompany the contractor's claim:

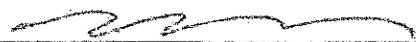
1. Time sheet signed by authorized county personnel. Time sheets shall show time of arrival and time of departure. Travel time to and from place of employment or prior jobs shall not be considered in the total work time charged to the using agency and must not be submitted.
2. Details of parts used:

Only actual system components will be billed. If parts are purchased to complete the repair, photocopies of the invoices must be furnished with the claim without revision or eradication. Exception: Contractor may block-out credit payment details on invoice. Compliance with the above is necessary in order to expedite the payment. Claims without the above will be returned to contractor without payment until a complete claim is submitted

Award if any will be made as a whole to the lowest responsible bidder, other services can be added to this contract with written quote and amendment.

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Vice President, Treasurer, & Secretary

TITLE



**HAZARDOUS MATERIALS
CERTIFICATE OF REGISTRATION
FOR REGISTRATION YEAR(S) 2019-2021**

Registrant: ACV Environmental Services, Inc
ATTN: Kellie Case
1500 Rahway Ave
Avenel, NJ 07001

This certifies that the registrant is registered with the U.S. Department of Transportation as required by 49 CFR Part 107, Subpart G.

This certificate is issued under the authority of 49 U.S.C. 5108. It is unlawful to alter or falsify this document.

Reg. No: 052419600004BC Effective: July 1, 2019 Expires: June 30, 2021

HM Company ID: 13694

Record Keeping Requirements for the Registration Program

The following must be maintained at the principal place of business for a period of three years from the date of issuance of this Certificate of Registration:

- (1) A copy of the registration statement filed with PHMSA; and
- (2) This Certificate of Registration

Each person subject to the registration requirement must furnish that person's Certificate of Registration (or a copy) and all other records and information pertaining to the information contained in the registration statement to an authorized representative or special agent of the U. S. Department of Transportation upon request.

Each motor carrier (private or for-hire) and each vessel operator subject to the registration requirement must keep a copy of the current Certificate of Registration or another document bearing the registration number identified as the "U.S. DOT Hazmat Reg. No." in each truck and truck tractor or vessel (trailers and semi-trailers not included) used to transport hazardous materials subject to the registration requirement. The Certificate of Registration or document bearing the registration number must be made available, upon request, to enforcement personnel.

For information, contact the Hazardous Materials Registration Manager, PHH-52, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Washington, DC 20590, telephone (202) 366-4109.

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF MATERIALS MANAGEMENT

PART 364
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Titles 3 and 15 of the Environmental Conservation Law and 6 NYCRR 364

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/16/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED WASTE TYPES BY DESTINATION FACILITY:

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
110 Sand Company Clean Fill Disposal Site	Melville , NY	Non-Hazardous Industrial/Commercial	
26TH WARD WPCP	BROOKLYN , NY	Residential Raw Sewage including Portable Toilet Waste	
AB Oil Service Ltd	Bohemia , NY	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Waste Oil	
ABINGTON RELDAN METALS	FAIRLESS HILLS , PA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
ADVANCED DISPOSAL GREENTREE LANDFILL, LLC	KERSEY , PA	Non-Hazardous Industrial/Commercial Gas Well Drill Cuttings Oil and Gas Production Waste Asbestos Petroleum Contaminated Soil Waste Tires Grease Trap Waste Septage only (residential) Residential Raw Sewage including Portable Toilet Waste Non-Residential Raw Sewage or Sewage-Contaminated Wastes Sludge from Sewage or Water Supply Treatment Plant	
Advanced Waste and Water Technology	Farmingdale , NY	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

NOTE: By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the Environmental Conservation Law, all applicable regulations, and the General Conditions printed on the back of this page.

ADDRESS:

New York State Department of Environmental Conservation
Division of Materials Management - Waste Transporter Program
605 Broadway, 6th Floor

AUTHORIZED SIGNATURE



Date: 07 / 13 / 2020

WASTE TRANSPORTER PERMIT

GENERAL CONDITIONS

The permittee must:

1. Carry a copy of this waste transporter permit in each vehicle to transport waste. Failure to produce a copy of the permit upon request is a violation of the permit.
2. Display the full name of the transporter on both sides of each vehicle and display the waste transporter permit number on both sides and rear of each vehicle containing waste. The displayed name and permit number must be in characters at least three inches high and of a color that contrasts sharply with the background.
3. Transport waste only in authorized vehicles. An authorized vehicle is one that is listed on this permit.
4. Submit to the Department a modification application for additions/deletions to the authorized fleet of vehicles. The permittee must wait for a modified permit before operating the vehicles identified in the modification application.
5. Submit to the Department a modification application to add a new waste category or a new destination facility, or to change the current waste or destination facility category. The permittee must wait for a modified permit before transporting new waste types or transporting to new destination facilities.
6. Submit to the Department a modification application for change of address or company name.
7. Comply with requirements for placarding and packaging as set forth in New York State Transportation Law as well as any applicable federal rules and regulations.
8. Contain all wastes in the vehicle so there is no leaking, blowing, or other discharge of waste.
9. Use vehicles to transport only materials not intended for human or animal consumption unless the vehicle is properly cleaned.
10. Comply with requirements for manifesting hazardous waste, regulated medical waste, or low-level radioactive waste as set forth in the New York State Environmental Conservation Law and the implementing regulations. Transporters who provide a pre-printed manifest to a generator/shipper/officer of regulated waste shall ensure that all information is correct and clearly legible on all copies of the manifest.
11. Deliver waste only to transfer, storage, treatment and disposal facilities authorized to accept such waste. Permittee must demonstrate that facilities are so authorized if requested to do so.
12. Maintain liability insurance as required by New York State Environmental Conservation Law.
13. Maintain records of the amount of each waste type transported to each destination facility on a calendar-year basis. The transporter is obligated to provide a report of this information to the Department at the time of permit renewal, or to any law enforcement officer, if requested to do so.
14. Pay regulatory fees on an annual basis. Non-payment may be cause for revocation or suspension of permit.
15. This permit is not transferrable. A change of ownership will invalidate this permit.
16. This permit does not relieve the permittee from the obligation to obtain any other approvals or permits, or from complying with any other applicable federal, state, or local requirement.
17. **Renewal applications must be submitted no less than 30 days prior to the expiration date of the permit to:**

**New York State Department of Environmental Conservation
Division of Materials Management, Waste Transporter Program
625 Broadway, 9th Floor
Albany, NY 12233-7251**

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF MATERIALS MANAGEMENT

PART 364
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Titles 3 and 15 of the Environmental Conservation Law and 6 NYCRR 364

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/15/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
AERC RECYCLING SOLUTIONS	ALLENTOWN , PA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
AES ENVIRONMENTAL	CALVERT CITY , KY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
ALLIANCE SANITARY LANDFILL	TAYLOR , PA	Non-Hazardous Industrial/Commercial	
AMERICAN LAMP RECYCLING, LLC	MARLBORO , NY	Non-Hazardous Industrial/Commercial	
BAYSHORE RECYCLING	WOODBRIIDGE , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Hazardous Industrial/Commercial	
BERKS TRANSFER	READING , PA	Non-Hazardous Industrial/Commercial	
BETHLEHEM APPARATUS COMPANY, INC	HELLERTOWN , PA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
BIO EARTH, INC.	KEARNY , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
BIOGENIE, INC.	TERREBONNE , QC	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
BOWERY BAY WPC	ASTORIA , NY	Residential Raw Sewage including Portable Toilet Waste	
CALGON CARBON CORPORATION	CATLETTSBURG , KY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
GEMCO	Auburn , NY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
CHEMICAL WASTE MANAGEMENT	EMELLE , AL	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Grease Trap Waste Hazardous Industrial/Commercial Waste Oil	
Chemung County Sanitary Landfill	Chemung , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil	
CLEAN EARTH LLC	PLAINVILLE , CT	Petroleum Contaminated Soil	
CLEAN EARTH OF CARTERET	CARTERET , NJ	Non-Hazardous Industrial/Commercial	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
CLEAN EARTH OF CARTERET	CARTERET , NJ	Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
CLEAN EARTH OF MARYLAND	HAGERSTOWN , MD	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Hazardous Industrial/Commercial	
CLEAN EARTH OF NEW CASTLE, INC.	NEW CASTLE , DE	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
CLEAN EARTH OF NORTH JERSEY	KEARNY , NJ	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
CLEAN EARTH OF PHILADELPHIA	PHILADELPHIA , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
CLEAN EARTH OF SOUTHEAST PENNSYLVANIA	MORRISVILLE , PA	Petroleum Contaminated Soil	
CLEAN HARBORS ENV. SERVICES (SPRING GROVE RRF)	CINCINNATI , OH	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
CLEAN HARBORS OF BALTIMORE	BALTIMORE , MD	Non-Hazardous Industrial/Commercial Asbestos Hazardous Industrial/Commercial	
CLEAN HARBORS PPM, LLC	TWINSBURG , OH	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
CLEAN HARBORS PPM, LLC	PHILADELPHIA , PA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial Waste Oil	
Clean Water of New York Inc	Staten Island , NY	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Waste Oil	
Clear Flo Technologies Inc	Lindenhurst , NY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
Colonie (T) SWMF	Colonie , NY	Non-Hazardous Industrial/Commercial	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF MATERIALS MANAGEMENT

PART 364
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Titles 3 and 15 of the Environmental Conservation Law and 6 NYCRR 364

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

EFFECTIVE DATE: 07/15/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
Colonie (T) SWMF	Colonie , NY	Petroleum Contaminated Soil Hazardous Industrial/Commercial	
COLT REFINING, INC.	MERRIMACK , NH	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
COMPLETE RECYCLING SOLUTIONS	FALL RIVER , MA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
COMPLETE RECYCLING SOLUTIONS	SOMERSET , NJ	Hazardous Industrial/Commercial	Univ. Waste
CON EDISON	ASTORIA , NY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
CONESTOGA LANDFILL	MORGANTOWN , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Hazardous Industrial/Commercial	
Covanta Niagara I, LLC	Niagara Falls , NY	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
Covanta of Hempstead	Westbury , NY	Non-Hazardous Industrial/Commercial	Oily Solids
COVANTA UNION INC	RAHWAY , NJ	Non-Hazardous Industrial/Commercial	
COVANTA/AMERICAN REF-FUEL	NEWARK , NJ	Non-Hazardous Industrial/Commercial	
CRI ENVIRONNEMENT	COTEAU DU LAC , QC	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Grease Trap Waste Hazardous Industrial/Commercial Waste Oil	
CUMBERLAND COUNTY IMPROVEMENT AUTHORITY	MILLVILLE , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
CUMBERLAND COUNTY LANDFILL (PA DEP 100945)	SHIPPENSBURG , PA	Non-Hazardous Industrial/Commercial	
CURTIS BAY ENERGY GROUP	BALTIMORE , MD	Medical	RMW/Biohazard Waste
CWM CHEMICAL SERVICES LLC	MODEL CITY , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
CYCLE CHEM (NJ)	ELIZABETH , NJ	Non-Hazardous Industrial/Commercial	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

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Destination Facility	Location	Waste Type(s)	Note
CYCLE CHEM (NJ)	ELIZABETH , NJ	Asbestos Petroleum Contaminated Soil Grease Trap Waste Hazardous Industrial/Commercial Waste Oil	
CYCLE CHEM (PA)	LEWISBERRY , PA	Non-Hazardous Industrial/Commercial Gas Well Drill Cuttings Oil and Gas Production Waste Asbestos Petroleum Contaminated Soil Grease Trap Waste Hazardous Industrial/Commercial Waste Oil	
Cycle Chem Inc dba ACV Enviro	New Windsor , NY	Petroleum Contaminated Soil	
Donjon Recycling	Staten Island , NY	Non-Hazardous Industrial/Commercial	
DOREMUS AVENUE RECYCLING & TRANSFER (DART)	NEWARK , NJ	Non-Hazardous Industrial/Commercial	
ENVIRITE OF PENNSYLVANIA	YORK , PA	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
ENVIRO SAFE SERVICES OF OHIO	OREGON , OH	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
ENVIRONMENTAL RECOVERY CORPORATION	LANCASTER , PA	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Petroleum Contaminated Soil Sludge from Sewage or Water Supply Treatment Plant Hazardous Industrial/Commercial Waste Oil	
EQ TRANSFER & PROCESSING	DETROIT , MI	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
EQ TRANSFER & PROCESSING	DETROIT , MI	Hazardous Industrial/Commercial Waste Oil	
ESMI of New York	Fort Edward , NY	Petroleum Contaminated Soil	
EVERCLEAR OF OHIO, LTD	AUSTINTOWN , OH	Non-Hazardous Industrial/Commercial Waste Oil	
EVERGREEN RECYCLING OF CORONA	QUEENS , NY	Non-Hazardous Industrial/Commercial	
EXIDE TECHNOLOGIES	MUNCIE , IN	Non-Hazardous Industrial/Commercial	
FAIRLESS LANDFILL (PA DEP 101699)	MORRISVILLE , PA	Non-Hazardous Industrial/Commercial	
FCC ENVIRONMENTAL	WILMINGTON , DE	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
Franklin County Regional Landfill	Constable , NY	Petroleum Contaminated Soil	
FUTURE HEALTH CARE SYSTEMS CT, INC.	BRIDGEPORT , CT	Medical	
Future Health Care Systems, Inc.	Mount Vernon , NY	Medical	
G & S TECHNOLOGIES	KEARNY , NJ	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
GIANT RESOURCE RECOVERY-SUMTER	SUMTER , SC	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
Global Albany Terminal	Albany , NY	Waste Oil	
GLOBALCYCLE, INC.	E. TAUNTON , MA	Non-Hazardous Industrial/Commercial	incl. WTP residuals
GREATER LAWRENCE SANITARY DISTRICT	NORTH ANDOVER , MA	Non-Hazardous Industrial/Commercial	
Green Ridge RDF	Gansevoort , NY	Asbestos Sludge from Sewage or Water Supply Treatment Plant Waste Oil	
GROWS LANDFILL NORTH (PA DEP 101680)	MORRISVILLE , PA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
HAZLETON CREEK PROPERTIES, LLC	HAZLETON , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
Hempstead Resource Recovery Facility	Westbury , NY	Non-Hazardous Industrial/Commercial	
HERITAGE THERMAL SERVICES - 10 DAY FACILITY	EAST LIVERPOOL , OH	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Asbestos Petroleum Contaminated Soil	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
HERITAGE THERMAL SERVICES - 10 DAY FACILITY	EAST LIVERPOOL , OH	Hazardous Industrial/Commercial	
Hicksville Operations Center	Hicksville , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
High Acres Western Expansion Landfill	Fairport , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Waste Tires Hazardous Industrial/Commercial	
Huntington Resource Recovery Facility	East Northport , NY	Non-Hazardous Industrial/Commercial	Oily Solids
HUNTS POINT WPC	BRONX , NY	Residential Raw Sewage including Portable Toilet Waste	
Hyland Landfill	Angelica , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
Industrial Oil Tank Used Oil Storage Facility	Oriskany , NY	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	Oily Water
Jocosa LLC Waste Oil Recycling	New Windsor , NY	Non-Hazardous Industrial/Commercial Waste Oil	
LEI INC.	HAMMOND , LA	Hazardous Industrial/Commercial	
LORCO PETROLEUM SERVICES	ELIZABETH , NJ	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Waste Oil	
MAX ENVIRONMENTAL TECHNOLOGIES	YUKON , PA	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
MAX ENVIRONMENTAL TECHNOLOGIES	BULGER , PA	Non-Hazardous Industrial/Commercial	
MCCUTCHEON ENTERPRISES BIOSOLIDS TREATMENT FACILITY	APOLLO , PA	Non-Hazardous Industrial/Commercial	
MICHIGAN DISPOSAL WASTE TREATMENT PLANT	BELLEVILLE , MI	Non-Hazardous Industrial/Commercial Asbestos	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
MICHIGAN DISPOSAL WASTE TREATMENT PLANT	BELLEVILLE , MI	Petroleum Contaminated Soil Hazardous Industrial/Commercial	
MINERVA ENTERPRISES INC	WAYNESBURG , OH	Non-Hazardous Industrial/Commercial Asbestos	
MODERN LANDFILL	YORK , PA	Non-Hazardous Industrial/Commercial Asbestos Sludge from Sewage or Water Supply Treatment Plant Hazardous Industrial/Commercial	
Modern Landfill, Inc.	Model City , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
MONARCH ENVIRONMENTAL RECYCLING	WOODSTOWN , NJ	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Petroleum Contaminated Soil Sludge from Sewage or Water Supply Treatment Plant Hazardous Industrial/Commercial Waste Oil	
NEW CASTLE SANITATION AUTHORITY	NEW CASTLE , PA	Non-Hazardous Industrial/Commercial Grease Trap Waste	
NEWTECH RECYCLING	SOMERSET , NJ	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Waste Oil	
NLR, INC.	EAST WINDSOR , CT	Hazardous Industrial/Commercial	Universal Waste
NORLITE, LLC	COHOES , NY	Non-Hazardous Industrial/Commercial Oil and Gas Production Waste Hazardous Industrial/Commercial Waste Oil	
NORTHLAND ENVIRONMENTAL, LLC	PROVIDENCE , RI	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
NORTHLAND ENVIRONMENTAL, LLC	PROVIDENCE , RI	Waste Oil	
NYC - DEP NEWTOWN CREEK WPCP	BROOKLYN , NY	Non-Hazardous Industrial/Commercial Grease Trap Waste Septage only (residential) Residential Raw Sewage including Portable Toilet Waste Non-Residential Raw Sewage or Sewage-Contaminated Wastes Sludge from Sewage or Water Supply Treatment Plant	
OAKWOOD BEACH WPC	STATEN ISLAND , NY	Residential Raw Sewage including Portable Toilet Waste	
OIL ENERGY RECOVERY, INC.	ROLLINSFORD , NH	Waste Oil	
Paradise Heating Oil Inc	Ossining , NY	Non-Hazardous Industrial/Commercial Waste Oil	
PASSAIC VALLEY SEWERAGE	NEWARK , NJ	Non-Hazardous Industrial/Commercial Grease Trap Waste Septage only (residential) Residential Raw Sewage including Portable Toilet Waste Non-Residential Raw Sewage or Sewage-Contaminated Wastes Sludge from Sewage or Water Supply Treatment Plant	
PETROMAX, LTD	CARNEGIE , PA	Waste Oil	
PIONEER CROSSING LANDFILL	BIRDSBORO , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Sludge from Sewage or Water Supply Treatment Plant	
Posillico Materials	Farmingdale , NY	Petroleum Contaminated Soil	
PSC ENVIRONMENTAL	HATFIELD , PA	Non-Hazardous Industrial/Commercial Asbestos Hazardous Industrial/Commercial	
PURE SOIL TECHNOLOGIES	JACKSON , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
Radiac Research Corporation	Brooklyn , NY	Hazardous Industrial/Commercial	
Ray's Transportation Inc	New Windsor , NY	Non-Hazardous Industrial/Commercial	Railroad Ties
RECYCLE INC EAST	SOUTH PLAINFIELD , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
RETRIEV TECHNOLOGIES, INC.	LANCASTER , OH	Non-Hazardous Industrial/Commercial	

*** AUTHORIZED WASTE TYPES BY DESTINATION FACILITY LISTING (continued on next page) ***

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
RETRIEV TECHNOLOGIES, INC.	LANCASTER , OH	Hazardous Industrial/Commercial	
ROSS INCINERATION SERVICES, INC.	GRAFTON , OH	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
Seneca Meadows Inc (West Nyack TS)	West Nyack , NY	Non-Hazardous Industrial/Commercial Waste Tires	
Seneca Meadows LF	Waterloo , NY	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Waste Tires Grease Trap Waste Septage only (residential) Non-Residential Raw Sewage or Sewage-Contaminated Wastes Sludge from Sewage or Water Supply Treatment Plant	Incl. Grit/Screenings
SIPI METALS CORPORATION	CHICAGO , IL	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
SOIL SAFE, INC.	LOGAN TOWNSHIP , NJ	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil	
SOLVENTS & PETROLEUM SERVICE	SYRACUSE , NY	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
SOUTHERN ALLEGHENIES LANDFILL	DAVIDSVILLE , PA	Non-Hazardous Industrial/Commercial Asbestos Hazardous Industrial/Commercial	
SPECTRASERV, INC.	SOUTH KEARNY , NJ	Non-Hazardous Industrial/Commercial Septage only (residential) Non-Residential Raw Sewage or Sewage-Contaminated Wastes Sludge from Sewage or Water Supply Treatment Plant Hazardous Industrial/Commercial	
STABLEX CANADA INC.	BLAINVILLE , QC	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

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Destination Facility	Location	Waste Type(s)	Note
SYSTECH ENVIRONMENTAL	PAULDING , OH	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Waste Tires Hazardous Industrial/Commercial	
TCI OF ALABAMA	PELL CITY , AL	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial Waste Oil	
TCI of NY LLC	Coeymans , NY	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	elec. units/transit only elec. units/transit only
TECHNIC, INC.	CRANSTON , RI	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
TERR AQUA RESOURCE MANAGEMENT (TARM)	WILLIAMSPORT , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Hazardous Industrial/Commercial	
TRADEBE EAST CHICAGO	EAST CHICAGO , IN	Gas Well Drill Cuttings Oil and Gas Production Waste Asbestos Petroleum Contaminated Soil Grease Trap Waste Medical	
TRADEBE TREATMENT & RECYCLING NORTHEAST, LLC	MERIDEN , CT	Asbestos Petroleum Contaminated Soil	
TRADEBE TREATMENT & RECYCLING OF BRIDGEPORT, LLC	BRIDGEPORT , CT	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
TRADEBE TREATMENT & RECYCLING OF NORTHBOROUGH, LLC	NORTHBOROUGH , MA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
TULLYTOWN RESOURCE RECOVERY FACILITY (PA DEP 101494)	TULLYTOWN , PA	Hazardous Industrial/Commercial	
UNITED SALVAGE/dba FRAMINGHAM SALVAGE	FRAMINGHAM , MA	Non-Hazardous Industrial/Commercial	
VEOLIA ENVIRONMENTAL SERVICE LLC	PORT ARTHUR , TX	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
VEOLIA ES TECHNICAL SOLUTIONS	FLANDERS , NJ	Asbestos Petroleum Contaminated Soil Waste Oil	
VEOLIA ES TECHNICAL SOLUTIONS (FORMERLY ONYX)	FLANDERS , NJ	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
VEOLIA ES TECHNICAL SOLUTIONS LLC	STOUGHTON , MA	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
VEOLIA ES TECHNICAL SOLUTIONS LLC	WEST BRIDGEWATER , MA	Non-Hazardous Industrial/Commercial Gas Well Drill Cuttings Oil and Gas Production Waste Petroleum Contaminated Soil Waste Tires Grease Trap Waste Waste Oil	
VEOLIA ES TECHNICAL SOLUTIONS, LLC	MIDDLESEX , NJ	Non-Hazardous Industrial/Commercial Hazardous Industrial/Commercial	
WASTE CONTROL SPECIALISTS LLC	ANDREWS , TX	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial	
WASTE MANAGEMENT AMERICAN	WAYNESBURG , OH	Non-Hazardous Industrial/Commercial	
WASTE MANAGEMENT- SUBURBAN	GLENFORD , OH	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Grease Trap Waste Sludge from Sewage or Water Supply Treatment Plant	

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AUTHORIZED WASTE TYPES BY DESTINATION FACILITY: (Continued)

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Destination Facility	Location	Waste Type(s)	Note
WASTE MANAGEMENT- SUBURBAN	GLENFORD , OH	Hazardous Industrial/Commercial	
WASTE RECOVERY SOLUTIONS	MYERSTOWN , PA	Non-Hazardous Industrial/Commercial	
WAYNE DISPOSAL, INC	BELLEVILLE , MI	Non-Hazardous Industrial/Commercial Asbestos Petroleum Contaminated Soil Hazardous Industrial/Commercial Waste Oil	
WHEELABRATOR WESTCHESTER, LP	PEEKSKILL , NY	Non-Hazardous Industrial/Commercial	
WHITE PINES LANDFILL	MILLVILLE , PA	Non-Hazardous Industrial/Commercial Petroleum Contaminated Soil Non-Residential Raw Sewage or Sewage-Contaminated Wastes	
WMNY Varick 1 Transfer Station	Brooklyn , NY	Non-Hazardous Industrial/Commercial	

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AUTHORIZED VEHICLES:

The Permittee is Authorized to Operate the Following Vehicles to Transport Waste:

(Vehicles enclosed in <>'s are authorized to haul Residential Raw Sewage and/or Septage only)

444 (Four Hundred and Forty Four) Permitted Vehicle(s)

CT AB52598	NJ AP235X	NJ AS865F	NJ AT941X	NJ AU819P
CT AE31722	NJ AP242Z	NJ AS866F	NJ AT950Z	NJ AU919K
CT AE31723	NJ AP275X	NJ AS899Z	NJ AT960H	NJ AU923X
CT AE31731	NJ AP422Y	NJ AS900Z	NJ AT961H	NJ AU936Z
MA 89390	NJ AP432R	NJ AS901Z	NJ AT984S	NJ AU964R
MA 89391	NJ AP433X	NJ AS902Z	NJ AT985S	NJ AU965R
NJ AA778E	NJ AP442A	NJ AT101R	NJ AT987S	NJ AU966R
NJ AE634Y	NJ AP454M	NJ AT102R	NJ AT988W	NJ AU967R
NJ AE859H	NJ AP455W	NJ AT147A	NJ AU102F	NJ AU968R
NJ AF661S	NJ AP457W	NJ AT148A	NJ AU103F	NJ AU969R
NJ AH335Z	NJ AP458W	NJ AT149A	NJ AU104F	NJ AU970R
NJ AJ395U	NJ AP594C	NJ AT161A	NJ AU104Y	NJ AU971R
NJ AJ627S	NJ AP596C	NJ AT162A	NJ AU105F	NJ AU972R
NJ AJ824M	NJ AP675V	NJ AT204N	NJ AU122V	NJ AU973R
NJ AK117X	NJ AP676V	NJ AT224A	NJ AU123V	NJ AU974R
NJ AK257S	NJ AP677V	NJ AT225A	NJ AU142J	NJ AU975R
NJ AK258S	NJ AP678S	NJ AT324J	NJ AU159P	NJ AU976R
NJ AK810L	NJ AP678V	NJ AT325J	NJ AU160P	NJ AU977R
NJ AK832B	NJ AP679S	NJ AT326J	NJ AU161P	NJ AU978R
NJ AK833B	NJ AP680S	NJ AT327J	NJ AU191X	NJ AU979R
NJ AM193R	NJ AP681S	NJ AT328J	NJ AU192X	NJ AU980R
NJ AM270L	NJ AP710U	NJ AT331J	NJ AU194X	NJ AU981R
NJ AM366Z	NJ AP711U	NJ AT366M	NJ AU348K	NJ AW104B
NJ AM375A	NJ AP724N	NJ AT367M	NJ AU371X	NJ AW137M
NJ AM418N	NJ AP810P	NJ AT385E	NJ AU399A	NJ AW138M
NJ AM433C	NJ AP881S	NJ AT387E	NJ AU435G	NJ AW139M
NJ AM650X	NJ AP882S	NJ AT389E	NJ AU436G	NJ AW142F
NJ AM651X	NJ AP883S	NJ AT404A	NJ AU437G	NJ AW143F
NJ AM652X	NJ AP912Y	NJ AT405A	NJ AU439L	NJ AW144F
NJ AM655H	NJ AP972H	NJ AT406A	NJ AU509J	NJ AW145F
NJ AM789U	NJ AP973H	NJ AT407A	NJ AU546B	NJ AW146F
NJ AM814U	NJ AP974H	NJ AT514Z	NJ AU549S	NJ AW147F
NJ AM932N	NJ AR221F	NJ AT542J	NJ AU601L	NJ AW152K
NJ AN196A	NJ AR352D	NJ AT606B	NJ AU602L	NJ AW153K
NJ AN197A	NJ AS220C	NJ AT662B	NJ AU603L	NJ AW157N
NJ AN695P	NJ AS225G	NJ AT826L	NJ AU604L	NJ AW158N
NJ AN720M	NJ AS274S	NJ AT900F	NJ AU605L	NJ AW159N
NJ AN840L	NJ AS388W	NJ AT901F	NJ AU628K	NJ AW160N
NJ AN876T	NJ AS389W	NJ AT902F	NJ AU643N	NJ AW161N
NJ AN877T	NJ AS591X	NJ AT903F	NJ AU650K	NJ AW162N
NJ AN919S	NJ AS592X	NJ AT904F	NJ AU681R	NJ AW163N
NJ AP134R	NJ AS593X	NJ AT905F	NJ AU707X	NJ AW164N
NJ AP135R	NJ AS594X	NJ AT906F	NJ AU739G	NJ AW302F
NJ AP136R	NJ AS608N	NJ AT937X	NJ AU756T	NJ AW303F
NJ AP167U	NJ AS840G	NJ AT938X	NJ AU757T	NJ AW304F

*** AUTHORIZED VEHICLES LISTING (continued on next page) ***

PART 364
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Titles 3 and 15 of the Environmental Conservation Law and 6 NYCRR 364

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/15/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED VEHICLES:

The Permittee is Authorized to Operate the Following Vehicles to Transport Waste:

(Vehicles enclosed in <>'s are authorized to haul Residential Raw Sewage and/or Septage only)

444 (Four Hundred and Forty Four) Permitted Vehicle(s)

NJ AW358N	NJ T805TP	NJ TPM94B	NJ TWR71H	NJ XGSY25
NJ AW375H	NJ T90B9L	NJ TPM96B	NJ TWR80H	NJ XGSY26
NJ AW376H	NJ T94M8R	NJ TPN37H	NJ TWR81H	NJ XGTM14
NJ AW413H	NJ TBD33U	NJ TRP18S	NJ TWR83H	NJ XGTN29
NJ AW417H	NJ TBD95U	NJ TRP85T	NJ X7228G	NJ XGTN30
NJ AW420B	NJ TBN64K	NJ TRP86T	NJ X7229G	NJ XGTN34
NJ AW420D	NJ TBP62V	NJ TRP98R	NJ X8933W	NJ XGTN38
NJ AW421D	NJ TEB11P	NJ TTE97F	NJ X9083W	NJ XGTR14
NJ AW480A	NJ TEZ82K	NJ TTF69C	NJ XANL68	NJ XH489H
NJ AW558A	NJ TFE53E	NJ TTK73E	NJ XANL69	NJ XHMR86
NJ AW559C	NJ TGC59R	NJ TTK96E	NJ XANL71	NJ XHMT18
NJ AW624N	NJ TGC66P	NJ TUG40M	NJ XANL75	NJ XJHE21
NJ AW709L	NJ TGC91P	NJ TUG41M	NJ XANL76	NJ XJKM10
NJ AW748D	NJ TGL89N	NJ TUG46M	NJ XAYW98	NJ XJKM11
NJ AW749D	NJ TGL92N	NJ TUG64P	NJ XBSY45	NJ XJKM12
NJ AW759D	NJ TGX47W	NJ TUG88K	NJ XBV736	NJ XJKM13
NJ AW798L	NJ THG94N	NJ TUG89K	NJ XCFB57	NJ XJKM14
NJ AW849A	NJ THR29E	NJ TUG90K	NJ XCXZ87	NJ XJKM15
NJ AW854L	NJ THR42E	NJ TUW19S	NJ XDGS52	NJ XJKM17
NJ AW954L	NJ TJH67V	NJ TUW46P	NJ XDWT73	NJ XJKM21
NJ AW955L	NJ TJH94T	NJ TUW47P	NJ XE646W	NJ XJKM24
NJ AW964C	NJ TJN35N	NJ TUW48P	NJ XEEU33	NJ XJKM25
NJ AW965C	NJ TJU38X	NJ TUW49P	NJ XEEU43	NJ XJKM26
NJ AW976F	NJ TKN12C	NJ TUW50P	NJ XEFE36	NJ XJKM30
NJ AW977F	NJ TLF13X	NJ TUW51P	NJ XEFG18	NJ XJKM31
NJ AW983F	NJ TLF22Y	NJ TUW52P	NJ XEFG29	NJ XJLG42
NJ AW984F	NJ TLS30L	NJ TUW53P	NJ XERJ54	NJ XJRJ85
NJ AW985F	NJ TLS93L	NJ TUW54P	NJ XF411C	NJ XJRJ95
NJ AW986F	NJ TLS95L	NJ TUW58N	NJ XFD262	NJ XJKM16
NJ F14LVE	NJ TMC10U	NJ TUW63P	NJ XFLS59	NJ XL286H
NJ T27G3M	NJ TMC76U	NJ TUW64P	NJ XFLT72	NJ XL302C
NJ T35J6H	NJ TMC98U	NJ TUW82R	NJ XFLV28	NJ XM499L
NJ T42J6H	NJ TMG10M	NJ TUW87P	NJ XFLV29	NJ XS347F
NJ T4E645	NJ TMG11M	NJ TUW88P	NJ XFLV30	NJ XT121F
NJ T57N9F	NJ TMG12M	NJ TVL25R	NJ XFLV31	NJ XT322T
NJ T5R702	NJ TMG15M	NJ TVL26R	NJ XFLV32	NJ XY538V
NJ T5R717	NJ TMG25R	NJ TVL75P	NJ XFLV33	NY AW414H
NJ T666NJ	NJ TMG27R	NJ TVL79M	NJ XFLV34	SC 20018PT
NJ T6R152	NJ TMG51N	NJ TVL80M	NJ XFLV35	SC 42469PT
NJ T73G3K	NJ TMG66P	NJ TVL81M	NJ XFLV36	End of List
NJ T76K8M	NJ TMG67P	NJ TVL89S	NJ XFLV37	
NJ T77K8M	NJ TMU62P	NJ TVL94N	NJ XGGB91	
NJ T78J6F	NJ TMU64P	NJ TVZ35L	NJ XGGE36	
NJ T78K8M	NJ TNS14E	NJ TVZ94N	NJ XGST75	
NJ T804TP	NJ TPC23W	NJ TVZ98M	NJ XGSW97	

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF ENVIRONMENTAL REMEDIATION

PART 381
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Title 3 of the Environmental Conservation Law and 6 NYCRR 381

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/15/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED WASTE TYPES BY TREATMENT, STORAGE & DISPOSAL FACILITIES:

The Permittee is Authorized to Transport the Following Waste Type(s) to the Destination Facility listed :

Destination Facility	Location	Waste Type(s)	Note
RADIAC RESEARCH CORPORATION	BROOKLYN , NY	Low-Level Radioactive Waste (LLRW)	

NOTE: By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the Environmental Conservation Law, all applicable regulations, and the General Conditions printed on the back of this page.

ADDRESS: New York State Department of Environmental Conservation
Division of Environmental Remediation
Bureau A, Radiological Sites Section
625 Broadway, 11th Floor

AUTHORIZED SIGNATUR



Date: 07 / 13 / 2020

WASTE TRANSPORTER PERMIT

GENERAL CONDITIONS

The permittee must:

1. Carry a copy of this waste transporter permit in each vehicle to transport waste. Failure to produce a copy of the permit upon request is a violation of the permit.
2. Display the full name of the transporter on both sides of each vehicle and display the waste transporter permit number on both sides and rear of each vehicle containing waste. The displayed name and permit number must be in characters at least three inches high and of a color that contrasts sharply with the background.
3. Transport waste only in authorized vehicles. An authorized vehicle is one that is listed on this permit.
4. Submit to the Department a modification application for additions/deletions to the authorized fleet of vehicles. The permittee must wait for a modified permit before operating the vehicles identified in the modification application.
5. Submit to the Department a modification application to add a new waste category or a new destination facility, or to change the current waste or destination facility category. The permittee must wait for a modified permit before transporting new waste types or transporting to new destination facilities.
6. Submit to the Department a modification application for change of address or company name.
7. Comply with requirements for placarding and packaging as set forth in New York State Transportation Law as well as any applicable federal rules and regulations.
8. Contain all wastes in the vehicle so there is no leaking, blowing, or other discharge of waste.
9. Use vehicles to transport only materials not intended for human or animal consumption unless the vehicle is properly cleaned.
10. Comply with requirements for manifesting hazardous waste, regulated medical waste, or low-level radioactive waste as set forth in the New York State Environmental Conservation Law and the Implementing regulations. Transporters who provide a pre-printed manifest to a generator/shipper/officer of regulated waste shall ensure that all information is correct and clearly legible on all copies of the manifest.
11. Deliver waste only to transfer, storage, treatment and disposal facilities authorized to accept such waste. Permittee must demonstrate that facilities are so authorized if requested to do so.
12. Maintain liability insurance as required by New York State Environmental Conservation Law.
13. Maintain records of the amount of each waste type transported to each destination facility on a calendar-year basis. The transporter is obligated to provide a report of this information to the Department at the time of permit renewal, or to any law enforcement officer, if requested to do so.
14. Pay regulatory fees on an annual basis. Non-payment may be cause for revocation or suspension of permit.
15. This permit is not transferrable. A change of ownership will invalidate this permit.
16. This permit does not relieve the permittee from the obligation to obtain any other approvals or permits, or from complying with any other applicable federal, state, or local requirement.
17. **Renewal applications must be submitted no less than 30 days prior to the expiration date of the permit to:**

**New York State Department of Environmental Conservation
Division of Materials Management, Waste Transporter Program
625 Broadway, 9th Floor
Albany, NY 12233-7251**

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF ENVIRONMENTAL REMEDIATION

PART 381
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Title 3 of the Environmental Conservation Law and 6 NYCRR 381

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

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 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/15/2020
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US EPA ID NUMBER: NJD003812047

AUTHORIZED VEHICLES:

The Permittee is Authorized to Operate the Following Vehicles to Transport Waste:

(Vehicles enclosed in <>'s are authorized to haul Residential Raw Sewage and/or Septage only)

444 (Four Hundred and Forty Four) Permitted Vehicle(s)

CT AB52598	NJ AP235X	NJ AS865F	NJ AT941X	NJ AU819P
CT AE31722	NJ AP242Z	NJ AS866F	NJ AT950Z	NJ AU919K
CT AE31723	NJ AP275X	NJ AS899Z	NJ AT960H	NJ AU923X
CT AE31731	NJ AP422Y	NJ AS900Z	NJ AT961H	NJ AU936Z
MA 89390	NJ AP432R	NJ AS901Z	NJ AT984S	NJ AU964R
MA 89391	NJ AP433X	NJ AS902Z	NJ AT985S	NJ AU965R
NJ AA778E	NJ AP442A	NJ AT101R	NJ AT987S	NJ AU966R
NJ AE634Y	NJ AP454M	NJ AT102R	NJ AT988V	NJ AU967R
NJ AE859H	NJ AP455W	NJ AT147A	NJ AU102F	NJ AU968R
NJ AF661S	NJ AP457W	NJ AT148A	NJ AU103F	NJ AU969R
NJ AH335Z	NJ AP458W	NJ AT149A	NJ AU104F	NJ AU970R
NJ AJ395U	NJ AP594C	NJ AT161A	NJ AU104Y	NJ AU971R
NJ AJ627S	NJ AP596C	NJ AT162A	NJ AU105F	NJ AU972R
NJ AJ824M	NJ AP675V	NJ AT204N	NJ AU122V	NJ AU973R
NJ AK117X	NJ AP676V	NJ AT224A	NJ AU123V	NJ AU974R
NJ AK257S	NJ AP677V	NJ AT225A	NJ AU142J	NJ AU975R
NJ AK258S	NJ AP678S	NJ AT324J	NJ AU159P	NJ AU976R
NJ AK310L	NJ AP678V	NJ AT325J	NJ AU160P	NJ AU977R
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NJ AM270L	NJ AP710U	NJ AT331J	NJ AU194X	NJ AU981R
NJ AM366Z	NJ AP711U	NJ AT366M	NJ AU348K	NJ AW104B
NJ AM375A	NJ AP724N	NJ AT367M	NJ AU371X	NJ AW137M
NJ AM418N	NJ AP810P	NJ AT385E	NJ AU393A	NJ AW138M
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NJ AM650X	NJ AP882S	NJ AT389E	NJ AU436G	NJ AW142F
NJ AM651X	NJ AP883S	NJ AT404A	NJ AU437G	NJ AW143F
NJ AM652X	NJ AP912Y	NJ AT405A	NJ AU439L	NJ AW144F
NJ AM655H	NJ AP927H	NJ AT406A	NJ AU509J	NJ AW145F
NJ AM789U	NJ AP973H	NJ AT407A	NJ AU546B	NJ AW146F
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NJ AM932N	NJ AR221F	NJ AT542J	NJ AU601L	NJ AW152K
NJ AN196A	NJ AR352D	NJ AT606B	NJ AU602L	NJ AW153K
NJ AN197A	NJ AS220C	NJ AT662B	NJ AU603L	NJ AW157N
NJ AN695P	NJ AS225G	NJ AT826L	NJ AU604L	NJ AW158N
NJ AN720M	NJ AS274S	NJ AT900F	NJ AU605L	NJ AW159N
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NJ AP135R	NJ AS594X	NJ AT906F	NJ AU739G	NJ AW302F
NJ AP136R	NJ AS608N	NJ AT937X	NJ AU756T	NJ AW303F
NJ AP167U	NJ AS840G	NJ AT938X	NJ AU757T	NJ AW304F

*** AUTHORIZED VEHICLES LISTING (continued on next page) ***

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF ENVIRONMENTAL REMEDIATION

PART 381
WASTE TRANSPORTER PERMIT NO. NJ-391

Pursuant to Article 27, Title 3 of the Environmental Conservation Law and 6 NYCRR 381

PERMIT ISSUED TO:

ACV ENVIRONMENTAL SERVICES, INC.
928 EAST HAZELWOOD AVENUE
RAHWAY, NJ 07065

PERMIT TYPE:

- NEW
 RENEWAL
 MODIFICATION

CONTACT NAME: DONNA MILLER
COUNTY: OUT OF STATE
TELEPHONE NO: (732)375-9988

EFFECTIVE DATE: 07/15/2020
EXPIRATION DATE: 05/31/2021
US EPA ID NUMBER: NJD003812047

AUTHORIZED VEHICLES:

The Permittee is Authorized to Operate the Following Vehicles to Transport Waste:

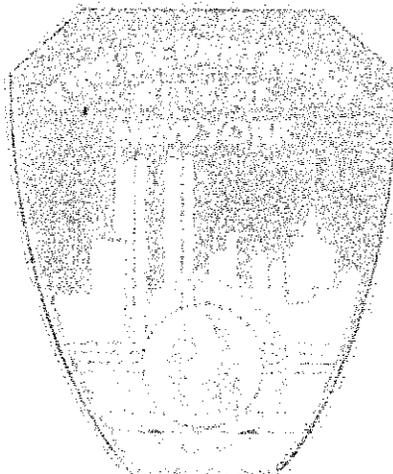
(Vehicles enclosed in <>'s are authorized to haul Residential Raw Sewage and/or Septage only)

444 (Four Hundred and Forty Four) Permitted Vehicle(s)

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NJ AW375H	NJ T90B9L	NJ TPM96B	NJ TWR80H	NJ XGSY26
NJ AW376H	NJ T94M8R	NJ TPN37H	NJ TWR81H	NJ XGTM14
NJ AW413H	NJ TBD33U	NJ TRP18S	NJ TWR83H	NJ XGTN29
NJ AW417H	NJ TBD95U	NJ TRP85T	NJ X7228G	NJ XGTN30
NJ AW420B	NJ TBN64K	NJ TRP86T	NJ X7229G	NJ XGTN34
NJ AW420D	NJ TBP62V	NJ TRP98R	NJ X8933W	NJ XGTN38
NJ AW421D	NJ TEB11P	NJ TTE97F	NJ X9083W	NJ XGTR14
NJ AW480A	NJ TEZ82K	NJ TTF69C	NJ XANL68	NJ XH489H
NJ AW558A	NJ TFE53E	NJ TTK73E	NJ XANL69	NJ XHMR86
NJ AW559C	NJ TGC59R	NJ TTK96E	NJ XANL71	NJ XHMT18
NJ AW624N	NJ TGC66P	NJ TUG40M	NJ XANL75	NJ XJHE21
NJ AW709L	NJ TGC91P	NJ TUG41M	NJ XANL76	NJ XJKM10
NJ AW748D	NJ TGL89N	NJ TUG46M	NJ XAYW98	NJ XJKM11
NJ AW749D	NJ TGL92N	NJ TUG64P	NJ XBSY45	NJ XJKM12
NJ AW759D	NJ TGX47W	NJ TUG88K	NJ XBT36	NJ XJKM13
NJ AW798L	NJ THG94N	NJ TUG89K	NJ XCFB57	NJ XJKM14
NJ AW849A	NJ THR29E	NJ TUG90K	NJ XCXZ87	NJ XJKM15
NJ AW854L	NJ THR42E	NJ TUW19S	NJ XDGS52	NJ XJKM17
NJ AW954L	NJ TJH67V	NJ TUW46P	NJ XDWT73	NJ XJKM21
NJ AW955L	NJ TJH94T	NJ TUW47P	NJ XE646W	NJ XJKM24
NJ AW964C	NJ TJN35N	NJ TUW48P	NJ XEEU33	NJ XJKM25
NJ AW965C	NJ TJU38X	NJ TUW49P	NJ XEEU43	NJ XJKM26
NJ AW976F	NJ TKN12C	NJ TUW50P	NJ XEFE36	NJ XJKM30
NJ AW977F	NJ TLF13X	NJ TUW51P	NJ XEFG18	NJ XJKM31
NJ AW983F	NJ TLF22Y	NJ TUW52P	NJ XEFG29	NJ XJLG42
NJ AW984F	NJ TLS30L	NJ TUW53P	NJ XERJ54	NJ XJRJ85
NJ AW985F	NJ TLS93L	NJ TUW54P	NJ XF411C	NJ XJRJ95
NJ AW986F	NJ TLS95L	NJ TUW58N	NJ XFDZ62	NJ XKJM16
NJ F14LVE	NJ TMC10U	NJ TUW63P	NJ XFLS59	NJ XL286H
NJ T27G3M	NJ TMC76U	NJ TUW64P	NJ XFLT72	NJ XL302C
NJ T36J6H	NJ TMC98U	NJ TUW82R	NJ XFLV28	NJ XM499L
NJ T42J6H	NJ TMG10M	NJ TUW87P	NJ XFLV29	NJ XS347F
NJ T4E645	NJ TMG11M	NJ TUW88P	NJ XFLV30	NJ XT121F
NJ T57N9F	NJ TMG12M	NJ TVL25R	NJ XFLV31	NJ XT322T
NJ T5R702	NJ TMG15M	NJ TVL26R	NJ XFLV32	NJ XY538V
NJ T5R717	NJ TMG25R	NJ TVL75P	NJ XFLV33	NY AW414H
NJ T666NJ	NJ TMG27R	NJ TVL79M	NJ XFLV34	SC 20018PT
NJ T6R152	NJ TMG51N	NJ TVL80M	NJ XFLV35	SC 42469PT
NJ T73G3K	NJ TMG66P	NJ TVL81M	NJ XFLV36	End of List
NJ T76K8M	NJ TMG67P	NJ TVL89S	NJ XFLV37	
NJ T77K8M	NJ TMU62P	NJ TVL94N	NJ XGGB91	
NJ T78J6F	NJ TMU64P	NJ TVZ85L	NJ XGGE36	
NJ T78K8M	NJ TNS14E	NJ TVZ94N	NJ XGST75	
NJ T804TP	NJ TPC23W	NJ TVZ98M	NJ XGSW97	

FIRE DEPARTMENT, CITY OF NEW YORK - BUREAU OF FIRE PREVENTION

BT-0129



PERMIT IS NOT TRANSFERABLE TO ANY OTHER PERSON, FIRM OR CORPORATION AND MAY BE REVOKED AT ANY TIME BY THE FIRE COMMISSIONER

PERMIT SHALL BE PROMINENTLY DISPLAYED ALL TIMES ON PREMISES

FIRE DEPARTMENT, CITY OF NEW YORK				PERMIT		BUREAU OF FIRE PREVENTION		
ACCOUNT NUMBER	TYPE	A.P.	D.O.	ADM. CO.	ISSUANCE DATE	PERMIT EXPIRES		
36239036			25	E555	11/27/19	07/20		
PREMISES ADDRESS				ACCOUNT NAME				
245 MESEROLE AVE BROOKLYN, NY 11222431				ALLSTATE POWER VAC, INC.				
ITEM CODE	SUB CODE	QTY	DESCRIPTION			FLOOR NO.	FEE	
926	37	1	TRANSP. OF HAZARDOUS WASTE				PAID	
PERMIT TYPE							ANNUAL FEE	PAID
1								
1=REGULAR								
2=SUPPLEMENTAL								
3=DUPLICATE								
ALLSTATE POWER VAC, INC. 1500 RAHWAY AVE AVENEL NJ 07001-2200								



DOT NO.200827
TRUCK NO.ST29 / VIN NO.JA8663
STICKER NO.1476 / (908)355-6800

BY ORDER OF THE COMMISSIONER



County of Nassau

To whom it may concern:

In our continuing effort to provide timely certificate delivery, Lockton Companies is transitioning to paperless delivery of Certificates of Insurance.

To ensure electronic delivery for future renewals of this certificate, we need your email address. Please contact us via one of the methods below, referencing Certificate ID **16884077**.

- Email: Chicagoedelivery@lockton.com
- Phone: 866-297-8023

If you received this certificate through an internet link where the current certificate is viewable, we have your email and no further action is needed.

In the event your mailing address has changed, will change in the future, or you no longer require this certificate, please let us know using one of the methods above.

The above inbox is for automating electronic delivery of certificates only. Please do NOT send future certificate requests to this inbox.

Thank you for your cooperation and willingness in reducing our environmental footprint.

Lockton Companies

Lockton Companies
500 W. Monroe Street, Suite 3400
Chicago, IL 60661

2019-2020 Professional and Contracting Services Proposal

Policy Number: GPL 0160671-03			
Coverage	Each Occurrence Limit	Coverage Aggregate	Deductible
Professional Liability	\$5,000,000	\$10,000,000	\$50,000
Transporters Auto Pollution Liability	\$5,000,000	\$10,000,000	\$50,000
Remediation Legal Liability	\$5,000,000	\$10,000,000	\$50,000
Contractor's Pollution Liability	\$5,000,000	\$10,000,000	\$50,000

Policy Number: EPC 0160703-03			
Coverage	Each Pollution Condition Limit	Coverage Aggregate	Deductible
Pollution Legal Liability	\$5,000,000	\$10,000,000	\$50,000
Non-Owned Disposal Site	\$5,000,000	\$10,000,000	\$50,000
In-Bound and Out-Bound Contingent Transportation	\$5,000,000	\$10,000,000	\$50,000
Transportation Liability	\$5,000,000	\$10,000,000	\$50,000

Informal Bid Title:

Comparison OF Bids

bid #'s

Recommended Vendor N/A

Requisition # N/A

% and \$ amount of difference plus or minus over
Pre-Encumbrance #VALUE! #VALUE!

Pre-Encumbrance: N/A

Buyer Timothy Funaro

Purchase Order #

Vendors

line	qty	Radiac Resarch		Island Pump		Innovative Recycling		ACV Environmental		AARCO		low bid		
		unit price	extended	unit price	extended	unit price	extended	unit price	extended	unit price	extended			
1	1	75.00	75.00	40.00	40.00	40.00	40.00	35.00	35.00	65.00	65.00	35.00		
2	1	75.00	75.00	40.00	40.00	40.00	40.00	40.00	40.00	65.00	65.00	40.00		
3	1	0.00	0.00	44.00	44.00	50.00	50.00	80.00	80.00	125.00	125.00	0.00		
4	1	0.00	0.00	128.00	128.00	150.00	150.00	70.00	70.00	60.00	60.00	0.00		
5	1	0.00	0.00	15.00	15.00	9.50	9.50	15.00	15.00	35.00	35.00	0.00		
6	1	65.00	65.00	52.00	462.00	25.00	25.00	35.00	35.00	40.00	40.00	25.00		
7	1	445.00	445.00	462.00	130.00	295.00	295.00	240.00	240.00	475.00	475.00	130.00		
8	1	465.00	465.00	130.00	151.00	175.00	175.00	100.00	100.00	250.00	250.00	100.00		
9	1	465.00	465.00	151.00	151.00	175.00	175.00	100.00	100.00	145.00	145.00	100.00		
10	1	0.00	0.00	462.00	462.00	295.00	295.00	240.00	240.00	475.00	475.00	0.00		
11	1	0.00	0.00	372.00	372.00	375.00	375.00	190.00	190.00	450.00	450.00	0.00		
12	1	0.00	0.00	284.00	284.00	275.00	275.00	190.00	190.00	250.00	250.00	0.00		
13	1	0.00	0.00	266.00	266.00	395.00	395.00	270.00	270.00	525.00	525.00	0.00		
14	1	285.00	285.00	238.00	238.00	205.00	205.00	100.00	100.00	175.00	175.00	100.00		
15	1	0.00	0.00	64.00	64.00	250.00	250.00	415.00	415.00	45.00	45.00	0.00		
16	1	0.00	0.00	670.00	670.00	250.00	250.00	950.00	950.00	300.00	300.00	0.00		
17	1	545.00	545.00	412.00	412.00	550.00	550.00	215.00	215.00	550.00	550.00	215.00		
18	1	585.00	585.00	462.00	462.00	550.00	550.00	375.00	375.00	450.00	450.00	375.00		
19	1	0.00	0.00	196.00	196.00	175.00	175.00	270.00	270.00	275.00	275.00	0.00		
20	1	495.00	495.00	274.00	274.00	250.00	250.00	270.00	270.00	275.00	275.00	250.00		
21	1	495.00	495.00	228.00	228.00	225.00	225.00	270.00	270.00	275.00	275.00	225.00		
22	1	0.00	0.00	682.00	682.00	595.00	595.00	630.00	630.00	750.00	750.00	0.00		
23	1	0.00	0.00	746.00	746.00	995.00	995.00	950.00	950.00	1250.00	1250.00	0.00		
24	1	0.00	0.00	10.00	10.00	30.00	30.00	30.00	30.00	15.00	15.00	0.00		
25	1	175.00	175.00	150.00	150.00	50.00	50.00	150.00	150.00	50.00	50.00	50.00		
26	1	125.00	125.00	710.00	710.00	650.00	650.00	1500.00	1500.00	500.00	500.00	125.00		
27	1	0.00	0.00	399.00	399.00	350.00	350.00	350.00	350.00	325.00	325.00	0.00		
28	1	125.00	125.00	76.50	76.50	55.00	55.00	50.00	50.00	50.00	50.00	50.00		
29	1	225.00	225.00	76.50	76.50	95.00	95.00	55.00	55.00	85.00	85.00	55.00		
30	1	395.00	395.00	274.00	274.00	195.00	195.00	190.00	190.00	350.00	350.00	190.00		
31	1	295.00	295.00	297.00	297.00	105.00	105.00	140.00	140.00	275.00	275.00	105.00		
32	1	245.00	245.00	171.00	171.00	105.00	105.00	120.00	120.00	165.00	165.00	105.00		
33	1	0.00	0.00	219.00	219.00	350.00	350.00	6.00	6.00	275.00	275.00	0.00		
34	1	0.00	0.00	219.00	219.00	750.00	750.00	120.00	120.00	0.00	0.00	0.00		
35	1	0.00	0.00	342.00	342.00	350.00	350.00	120.00	120.00	250.00	250.00	0.00		
36	1	4.00	4.00	79.00	79.00	0.72	0.72	1.00	1.00	0.95	0.95	0.72		
37	1	7.00	7.00	76.50	76.50	1.50	1.50	1.00	1.00	0.65	0.65	0.65		
38	1	7.00	7.00	76.50	76.50	1.50	1.50	0.50	0.50	0.65	0.65	0.50		
38A	1	4.00	4.00	76.50	76.50	1.50	1.50	0.50	0.50	1.65	1.65	0.50		
39	1	4.00	4.00	76.50	76.50	1.50	1.50	1.00	1.00	1.65	1.65	1.00		
39A	1	7.00	7.00	76.50	76.50	1.50	1.50	1.00	1.00	1.65	1.65	1.00		
39B	1	0.00	0.00	76.50	76.50	1.50	1.50	1.00	1.00	0.65	0.65	0.00		
40	1	3.50	3.50	76.50	76.50	0.75	0.75	0.50	0.50	0.95	0.95	0.50		
41	1	40.00	40.00	36.00	36.00	35.00	35.00	35.00	35.00	50.00	50.00	35.00		
42	1	65.00	65.00	17.25	17.25	40.00	40.00	45.00	45.00	55.00	55.00	17.25		
43	1	75.00	75.00	40.00	40.00	40.00	40.00	55.00	55.00	65.00	65.00	40.00		
43A	1	60.00	60.00	8.50	8.50	0.00	0.00	62.50	62.50	20.00	20.00	0.00		
44	1	0.00	0.00	28.00	28.00	0.00	0.00	4500.00	4500.00	10.00	10.00	0.00		
45	1	0.00	0.00	145.00	145.00	50.00	50.00	200.00	200.00	50.00	50.00	0.00		
46	1	695.00	695.00	350.00	350.00	200.00	200.00	450.00	450.00	395.00	395.00	200.00		
48	1	10.00	10.00	10.00	10.00	5.00	5.00	8.00	8.00	5.00	5.00	5.00		
49	1	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	15.00	15.00	10.00		
50	0	0.00	0.00									0.00		
52	0	0.00	0.00									0.00		
53	0	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00			0.00		
sum	0		6571.50		10720.25		9819.97		14253.00		10318.80	6571.50		
ship	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
		Total	6571.50	Total	10720.25	Total	9819.97	Total	14253.00	Total	10318.80	6571.50		
Delivery	3 Days			15 days			7 days			30 days			5 Days	
Terms	Net 30			2/20/n30			1/20/n30			Net 30			1/20/n30	
F.O.B.	Dest.			Dest.			Dest.			Dest.			Dest.	
Vin	112203365			112564960			113105454			112710601			810551121	
Tel No.	917-939-3300			631-462-2226			631-225-3044			908-355-5800			631-586-5900	
Verbal	John V. Tekin Jr.			Frank DiAndrea			Virginia A. Ewen			Ken Wunderlich			Steven Plofker	
Date	07/30/2020 sealed bid			07/30/2020 sealed bid			07/30/2020 sealed bid			07/30/2020 sealed bid			07/30/2020 sealed bid	

The evaluation for this formal sealed bid was based on invoices received from the department of Public Works. There were 142 pickups for poison solid, 12 pickups for poison liquid, 20 charges for 55 gal containers 2 charges for absorbent material 17 charges for labor packing and 1 charge for transportation. Base of these pickups and charges the following chart was created.

	Radiac Research	Island Pump	Innovative	ACV Environmental	AARCO
	142 x \$585.00 = \$83,070.00	142 x \$462.00 = \$65,604.00	142 x \$550.00 = \$78,100	142 x \$375.00 = \$53,250.00	142 x \$450.00 = \$63,900.00
	12 x \$545.00 = \$6,540.00	12 x \$412.00 = \$4944.00	12 x \$550.00 = \$6,600.00	12 x \$215.00 = \$2580.00	12 x \$550.00 = \$6600.00
	2 x \$65.00 = \$130.00	2 x \$52.00 = \$104.00	2 x \$25.00 = \$50.00	2 x 35.00 = \$70.00	2 x \$40.00 = \$80.00
	1 @ \$695.00	1 @ \$350.00	1 @ \$200.00	1 @ \$450.00	1 @ \$395.00
	17 x 0 = \$0.00	17 X \$145.00 =\$2465 .00	17 x \$50.00 = \$850.00	17 x \$200.00 = 3400.00	17 x \$50.00 = \$850.00
Total	\$90,435.00	\$73,467.00	\$85,800.00	\$59,750.00	\$71,825.00

Accordingly the award was given to ACV Environmental Services Inc.



Radiac Research Corporation
 261 Kent Avenue
 Brooklyn, NY 11249
 Voice: 718-963-2233
 Fax: 718-388-5107

ROPK19000315
 ROPK19000360

INVOICE

Invoice Number: 63098-A
 Invoice Date: Sep 4, 2019
 Page: 1

Bill To:
 Nassau County Dept of Recreation
 Accounts Office Adm Bldg
 Whse A Eisenhower Park
 E Meadow, NY 11554

Ship to:
 Nassau County Dept of Recreation
 Accounts Office Adm Bldg
 Whse A Eisenhower Park
 E Meadow, NY 11554

Customer ID	Customer PO	Payment Terms	
02384		Net Due	
Sales Rep ID	Shipping Method	Service Date	Due Date
	RADIAC		9/4/19
Quantity	Description	Unit Price	Amount
21.00	Phase I Removal & Disposal of Approved Waste	496.5000	10,426.50
12.00	55 Gallon Poison solid line #18 (7 supersacks included for disposal)	496.5000	5,958.00
2.00	55 Gallon Poison solid line #18	495.0000	990.00
	Transportation item #46		
94.00	Phase II Removal & Disposal of Offspec Waste	496.5000	46,671.00
	Disposal of 55 gallon Poison Solids item#18 (11 supersacks included for disposal)		
2.00	Transportation pickup item# 46	495.0000	990.00
1.00	Equipment Rental which includes Vector & Operator, Haz Waste permitted rollofts, Spot/Pull, Samplings/ Analysis, profile and Approvals	12,239.5000	12,239.50
			77,275.00

Direct Inquiries to Josephine Torriero
 Phone: (718) 963-2233 x202
 Email: jtorriero@radiacenv.com

Check/Credit Memo No:

Subtotal	77,275.00
Sales Tax	
Total Invoice Amount	77,275.00
Payment/Credit Applied	
TOTAL	77,275.00

1.5 % Per Month Finance Charge



Radiac Research Corporation
 261 Kent Avenue
 Brooklyn, NY 11249
 Voice: 718-963-2233
 Fax: 718-388-5107

INVOICE

Invoice Number: 62939
 Invoice Date: Jun 6, 2019
 Page: 1

Bill To:
 Nassau County Dept of Recreation
 Accounts Office Adm Bldg
 Whse A Eisenhower Park
 E Meadow, NY 11554

Ship to:
 Nassau County Dept of Recreation
 Accounts Office Adm Bldg
 Whse A Eisenhower Park
 E Meadow, NY 11554

1010

Customer ID	Customer PO	Payment Terms	
02384		Net Due	
Sales Rep ID	Shipping Method	Service Date	Due Date
JOHN TEKIN JR.	RADIAC	6/6/19	6/6/19

Quantity	Description	Unit Price	Amount
2.00	55 GAL POISON LIQUIDS - ITEM 17	498.7000	997.40
5.00	55 GAL POISON SOLIDS - ITEM 18	496.5000	2,482.50
2.00	ABSORBENT MATERIAL VERMICULITE #6	56.9500	113.90
17.00	LAB PACKING COST ITEM 26	149.8000	2,546.60
10.00	55 GAL POISON LIQUID ITEM 17 - 500 GALLONS OF LIQUIDS TRANSFERRED FROM TANK	498.5000	4,985.00
10.00	55 GAL POISON SOLIDS ITEM 18 (500 GALLON TANK FOR DECON/DISPOSAL)	496.5000	4,965.00
20.00	55 GALLON CONTAINERS ITEM 43 #6	65.3000	1,306.00
1.00	TRANSPORTATION ITEM 45 50	495.0000	495.00

OK TO PAY
And Book

Direct Inquiries to Josephine Torriero
 Phone: (718) 963-2233 x202
 Email: jtorriero@radiacenv.com

Check/Credit Memo No:

Subtotal	17,891.40
Sales Tax	
Total Invoice Amount	17,891.40
Payment/Credit Applied	
TOTAL	17,891.40

1.5 % Per Month Finance Charge



ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED	
POLICY NUMBER See First Page		REPUBLIC SERVICES, INC. 18500 N. ALLIED WAY PHOENIX, AZ 85054	
CARRIER See First Page	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

CERTIFICATE NUMBER: 2084368

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.
 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

The following provisions apply when required by written contract. As used below, the term certificate holder also includes any person or organization that the insured has become obligated to include as a result of an executed contract or agreement.

GENERAL LIABILITY:

Certificate holder is Additional Insured including on-going and completed operations when required by written contract.
 Coverage is primary and non-contributory when required by written contract.
 Waiver of Subrogation in favor of the certificate holder is included when required by written contract.

Medical Payment coverage is available under the General Liability policy only when required by written agreement and limited to the amount required in the agreement or the maximum sublimit found within the General Liability policy, whichever is less.

AUTO LIABILITY:

Certificate holder is Additional Insured when required by written contract.
 Coverage is primary and non-contributory when required by written contract.
 Waiver of Subrogation in favor of the certificate holder is included when required by written contract.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY:

Waiver of Subrogation in favor of the certificate holder is included when required by written contract where allowed by state law.

Stop gap coverage for ND, WA and WY is covered under policy no. WLR C67824064 and stop gap coverage for OH is covered under policy no. WCU C67824143, as noted on page 1 of this certificate.

TEXAS EXCESS INDEMNITY AND EMPLOYERS LIABILITY:

Insured is a registered non-subscriber to the Texas Workers Compensation Act. Insured has filed an approved Indemnity Plan with the Texas Department of Insurance which offers an alternative in benefits to employees rather than the traditional Workers Compensation Insurance in Texas. The excess policy (#TNS C68990592) shown on this certificate provides excess Indemnity and Employers Liability coverage for the approved Indemnity Plan.

Contractual Liability is included in the General Liability and Automobile Liability coverage forms. The General Liability and Automobile Liability policies do not contain endorsements excluding Contractual Liability.

Separation of Insured (Cross Liability) coverage is provided to the Additional Insured, when required by written contract, per the Conditions of the Commercial General Liability Coverage form and the Automobile Liability Coverage form.

The Umbrella/Excess Liability policy is follow form over the General Liability, Automobile Liability and Employer's Liability policies shown on this certificate.

Insurer Affording Pollution Coverage - Tokio Marine Specialty Insurance Co. (NAIC # 23850) Policy No. PPK2290912

Contracting Operations Environmental Liability - \$10,000,000 Per Contamination Incident/\$10,000,000 General Aggregate
 Professional Liability - \$10,000,000 Per Incident/\$10,000,000 General Aggregate
 Cover evidenced on this certificate is effective as of 11/1/21.



ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED	
POLICY NUMBER See First Page		REPUBLIC SERVICES, INC. 18500 N. ALLIED WAY PHOENIX, AZ 85054	
CARRIER See First Page	NAIC CODE	EFFECTIVE DATE:	

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Contracting Operations Environmental Liability - \$10,000,000 Per Contamination Incident/\$10,000,000 General Aggregate
 Professional Liability - \$10,000,000 Per Incident/\$10,000,000 General Aggregate

Additional Insured includes: County of Nassau, when required by written contract.



Nassau County Shared Services,
Office of Purchasing

Staff Summary A-18-2022

Subject: BPNC21000160 – Pool Equipment Repair, Maintenance and Service

Department: Department of Shared Services
Office of Purchasing

Department Head Name: Melissa Gallucci

Department Head Signature
Melissa Gallucci

Date: April 29, 2022

Vendor Name: Eagle Control Corp.

Contract Number: A-18-2022

Contract Manager Name: Kimberly Stanton, Buyer

Internal Approvals			
Date & Init.	Approval	Date & Init.	Approval
5/4/2022 <i>GG</i>	CPO	<i>DL</i>	Budget
06/01/2022 <i>SS</i>	County Atty.	<i>MW 6/13/22</i>	County Exec.

Material Adverse Information Identified? [Yes ___/No X] (If Yes, attach memo.)

Narrative

Purpose: To notify the Rules Committee that funding for Blanket Purchase Order BPNC21000160 for Pool Equipment Repair, Maintenance and Service for Nassau County Department of Parks, Recreation and Museums has reached a level that requires oversight by said committee.

Discussion: This Blanket Purchase Order has been in effect since August 31, 2021 and based on 2021/2022 estimated usage, will reach a spending level that requires approval (oversight) by the Rules Committee. The current estimated annual usage is Seventy-Five Thousand Dollars (\$75,000.00) and will need to be increased by One Hundred Twenty-Five Thousand (\$125,000.00) for a total annual usage of Two Hundred Thousand Dollars (\$200,000.00). The solicitation was advertised in Newsday and posted to the Nassau County Solicitation Board where eight (8) vendors viewed the bid.

Impact on Funding: The original maximum amount authorized under this Blanket Purchase Order, including all renewal options was Three Hundred Seventy-Five Thousand Dollars (\$375,000.00). This request is to increase the maximum amount authorized under this Blanket Purchase Order so that the maximum amount, including any renewal options that may be exercised by the Commissioner of Shared Services, shall be One Million Dollars (\$1,000,000.00).

Recommendation: Department of Shared Services, Office of Purchasing recommends approving oversight of funding for this Blanket Purchase Order with Eagle Control Corp. as the lowest responsible bidder meeting specifications.

RECEIVED
CLERK OF COUNTY
2022 JUN 13 3:00

APPROVED:

Richards 5/21/22

INSURANCE SECTION

REAL ESTATE INSURANCE UNIT

COMMERCIAL INSURANCE UNIT

RECEIVED
CLERK OF THE LEGISLATURE
NASSAU COUNTY
2022 JUN 13 A 12:05

COUNTY OF NASSAU

INTER – DEPARTMENTAL MEMO

TO: CLERK OF THE COUNTY LEGISLATURE

A-18-2022

FROM: MELISSA GALLUCCI - COMMISSIONER OF SHARED SERVICES

DATE: May 2, 2022

SUBJECT: RESOLUTION – DEPARTMENT OF PARKS, RECREATION AND MUSEUMS

THIS RESOLUTION IS RECOMMENDED BY THE COMMISSIONER OF SHARED SERVICES TO APPROVE OVERSIGHT (INCREASE AUTHORIZATION) FOR A BLANKET PURCHASE ORDER SO THAT THE TOTAL AUTHORIZATION SHALL BE ONE MILLION DOLLARS (\$1,000,000.00) ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PARKS, RECREATION AND MUSEUMS TO EAGLE CONTROL CORP., WHO IS THE LOWEST RESPONSIBLE BIDDER MEETING SPECIFICATIONS TO PROVIDE POOL EQUIPMENT REPAIR, MAINTENANCE AND SERVICE.

THE ABOVE DESCRIBED RESOLUTION AND SUPPORTING DOCUMENTATION ATTACHED HERETO IS FORWARDED FOR YOUR REVIEW, APPROVAL, AND SUBSEQUENT TRANSMITTAL TO THE RULES COMMITTEE FOR INCLUSION IN ITS AGENDA.


MELISSA GALLUCCI
COMMISSIONER OF SHARED SERVICES

MS: br

- ENCL: (1) STAFF SUMMARY
(2) DISCLOSURE STATEMENT
(3) RESOLUTION
(4) BID PROPOSAL
(5) CERTIFICATE OF LIABILITY INSURANCE
(6) POLITICAL CONTRIBUTION FORM



A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO APPROVE ADDITIONAL FUNDING FOR A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PARKS, RECREATION AND MUSEUMS, AND EAGLE CONTROL CORP.

WHEREAS, the NASSAU COUNTY DEPARTMENT OF SHARED SERVICES, OFFICE OF PURCHASING has received competitive bids under sealed bid solicitation # 93165-06151-101 for Pool Equipment Repair, Maintenance and Service, as more particularly described in the bid document; and

WHEREAS, the Commissioner of Shared Services is representing to the Rules Committee that Eagle Control Corp. submitted the lowest responsible bid that meets all specifications for the product and/or services described in the said bid document, and was awarded a Blanket Purchase Order (the “BPO”); and

WHEREAS, the Commissioner is representing to the Rules Committee that the BPO with Eagle Control Corp. has reached a level of spending requiring oversight approval by the Rules Committee, as determined by the Commissioner of Shared Services.

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the Commissioner of Shared Services to approve additional funding for the said BPO with Eagle Control Corp.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:

FRANK C ZAHRADKA [CHUCK@EAGLECONTROL.COM]

Dated: 04/27/2022 08:21:37 AM

Vendor: EAGLE CONTROL CORPORATION

Title: PRESIDENT

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: FRANK C ZAHRADKA
Date of birth: 08/29/1957
Home address: 6 PRAIRIE LANE
City: BROOKHAVEN State/Province/Territory: NY Zip/Postal Code: 11980
Country: US

Business Address: Eagle Control Corporation
City: YAPHANK State/Province/Territory: NY Zip/Postal Code: 11980
Country: US
Telephone: 16319241315

Other present address(es):
City: YAPHANK State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: 16319241315

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	<u>01/01/1987</u>	Treasurer	_____
Chairman of Board	<u>01/01/1998</u>	Shareholder	<u>01/01/1984</u>
Chief Exec. Officer	<u>01/01/1998</u>	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

SOLE SHAREHOLDER

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, FRANK C ZAHRADKA , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, FRANK C ZAHRADKA , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

EAGLE CONTROL CORPORATION

Name of submitting business

Electronically signed and certified at the date and time indicated by:
FRANK C ZAHRADKA [CHUCK@EAGLECONTROL.COM]

PRESIDENT

Title

04/27/2022 10:20:16 AM

Date

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 08/06/2021

1) Proposer's Legal Name: EAGLE CONTROL CORPORATION

2) Address of Place of Business: 23 OLD DOCK ROAD

City: YAPHANK State/Province/Territory: NY Zip/Postal Code: 11980

Country: US

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Rent _____ If other, please provide details: _____

4) Dun and Bradstreet number: 044463039

5) Federal I.D. Number: 11-3113241

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?

YES NO If yes, please provide details: _____

8) Does this business control one or more other businesses?

YES NO If yes, please provide details: _____

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?

YES NO If yes, please provide details: _____

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

NO CONFLICT EXISTS

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

NO CONFLICT EXISTS

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

NO CONFLICT EXISTS

- b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

EAGLE CONTROL IS AND WOULD BE CONSIENTIOUS OF ANY SITUATION SO THAT A CONFLICT OF INTEREST WILL NOT OCCUR

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

- i) Date of formation;

01/01/1968

- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

FRANK C ZAHRADKA 6 PRAIRIE LANE BROOKHAVEN NY

No individuals with a financial interest in the company have been attached..

- iii) Name, address and position of all officers and directors of the company. If none, explain.

FRANK C ZAHRADKA PRESIDENT 6 PRAIRIE LANE BROOKHAVEN NY

No officers and directors from this company have been attached.

- iv) State of incorporation (if applicable);

NY

- v) The number of employees in the firm;

15

- vi) Annual revenue of firm;

6000000

- vii) Summary of relevant accomplishments

WE HAVE BUILT A POSITIVE REPUTATTION WITHIN THE WATER AND WASTEWATER INDUSTRY INWHICH WE CONTIMUE TO WORK WITH

- viii) Copies of all state and local licenses and permits.

1 File(s) Uploaded: PERMIT.pdf

- B. Indicate number of years in business.

- C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

EAGLE CONTROL HAS WORKED WITH THE COUNTY FOR SEVERAL YEARS AND IS FAMILIAR WITH THEIR SITES

- D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	GREENLAWN WATER DISTRICT		
Contact Person	BOB SANTORIELLO		
Address	45 RAILROAD STREET		
City	GREENLAWN NY	State/Province/Territory	NY
Country	US		
Telephone	(631) 261-0874		
Fax #			
E-Mail Address	BOB@GREENLAWNWATER.ORG		

Company	WESTBURY WATER DISTRICT		
Contact Person	JOHN INGRAM / PAUL PRIGNANO		
Address	160 DREXEL AVENUE		
City	WESTBURY	State/Province/Territory	NY
Country	US		
Telephone	(516) 333-0427		
Fax #			
E-Mail Address	PAUL@WESTBURYWATERDISTRICT.COM		

Company	SOUTH HUNTINGTON WATER DISTRICT		
Contact Person	MIKE MCGOVERN / KEN CARSTEN		
Address	75 FIFTH AVENUE SOUTH		
City	HUNTINGTON STATION	State/Province/Territory	NY
Country	US		
Telephone	(631) 427-8190		
Fax #			
E-Mail Address	MMCGOVERN@SHWD.ORG		

I, FRANK C. ZAHRADKA
(CHUCK@EAGLECONTROL.COM), hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, FRANK C. ZAHRADKA
(CHUCK@EAGLECONTROL.COM), hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: EAGLE CONTROL CORPORATION

Electronically signed and certified at the date and time indicated by:
FRANK C ZAHRADKA [CHUCK@EAGLECONTROL.COM]

PRESIDENT

Title

05/02/2022 03:01:30 PM

Date

Stanton, Kimberly

From: Paul Prignano <pprignano@westburywaterdistrict.com>
Sent: Wednesday, April 27, 2022 9:54 AM
To: Stanton, Kimberly
Subject: RE: Nassau County Office of Purchasing - Vendor References

Attention: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.

Kimberly,

We have ben using Eagle Control for about 15 years for our SCADA work and they have gotten many bid job over the last 30 years I've been here. I never had a problem with their response or getting then over the phone. The workmanship has always ben clean safe and on time. If you have any other question feel free to contact me.

Paul Prignano
Assistant Superintendent
Westbury Water & Fire District
160 Drexel Ave
Westbury NY 11590

From: Stanton, Kimberly <kstanton@nassaucountyny.gov>
Sent: Wednesday, April 27, 2022 9:39 AM
To: Paul Prignano <pprignano@westburywaterdistrict.com>
Subject: Nassau County Office of Purchasing - Vendor References

Good Morning,

We have received a bid from Eagle Control Corporation, for Nassau County, NY, and they have listed you as a reference. Please give me some insight on this vendor. Do you have any complaints? Are they easily reached and quick to respond? Do they have any outstanding issues?

Thank you

Regards,

Kimberly Stanton

Nassau County Office of Purchasing
1 West Street
Mineola, NY 11501
Phone: 516-571-6679
Fax: 516-571-4263
Email: kstanton@nassaucountyny.gov



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CONFIDENTIALITY NOTICE: This transmission (including any attachments) may contain confidential information, privileged material (including material protected by the attorney-client or other applicable privileges), or constitute non-public information. Any use of this information by anyone other than the intended recipient is prohibited. If you have received this transmission in error, please immediately reply to the sender and delete this information from your system. Use, dissemination, distribution, or reproduction of this transmission by unintended recipients is not authorized and may be unlawful.

Stanton, Kimberly

From: Michael McGovern <mmcgovern@shwd.org>
Sent: Wednesday, April 27, 2022 9:53 AM
To: Stanton, Kimberly
Subject: Re: Nassau County Office of Purchasing - Vendor References

Attention: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.

Good morning Kimberly, Eagle has been great for us here at South Huntington Water. We have no complaints about this company, they are very fast to respond to our calls and response. I highly recommend them.

On 04/27/2022 9:39 AM Stanton, Kimberly <kstanton@nassaucountyny.gov> wrote:

Good Morning,

We have received a bid from Eagle Control Corporation, for Nassau County, NY, and they have listed you as a reference. Please give me some insight on this vendor. Do you have any complaints? Are they easily reached and quick to respond? Do they have any outstanding issues?

Thank you

Regards,

Kimberly Stanton

Nassau County Office of Purchasing

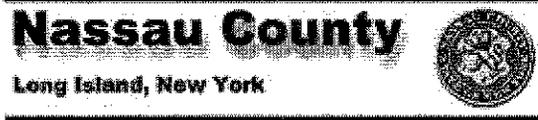
1 West Street

Mineola, NY 11501

Phone: 516-571-6679

Fax: 516-571-4263

Email: kstanton@nassaucountyny.gov



 Please consider the environment before printing this email

CONFIDENTIALITY NOTICE: This transmission (including any attachments) may contain confidential information, privileged material (including material protected by the attorney-client or other applicable privileges), or constitute non-public information. Any use of this information by anyone other than the intended recipient is prohibited. If you have received this transmission in error, please immediately reply to the sender and delete this information from your system. Use, dissemination, distribution, or reproduction of this transmission by unintended recipients is not authorized and may be unlawful.

Thank you,

Michael McGovern
Chief Plant Operator
South Huntington Water District
75 5th Ave South
Huntington Station, NY 11746
Tel: 631-427-8190
mmcgovern@shwd.org

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: EAGLE CONTROL CORPORATION

Address: 23 OLD DOCK ROAD

City: YAPHANK State/Province/Territory: NY Zip/Postal Code: 11980

Country: US

2. Entity's Vendor Identification Number: 11-3113241

3. Type of Business: Other (specify) "C" CORPORATION

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded PRINCIPALS OF EAGLE CONTROL CORPORATION.docx

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section. If none, explain.

1 File(s) uploaded SHAREHOLDER.docx

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

NONE

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
FRANK C ZAHRADKA [CHUCK@EAGLECONTROL.COM]

Dated: 04/27/2022 08:37:57 AM

Title: PRESIDENT

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.



**NAMES AND ADDRESSES OF SHAREHOLDERS, OFFICERS, AND DIRECTORS
OF EAGLE CONTROL CORPORATION ARE AS FOLLOWS:**

PRESIDENT/TREASURER/SECRETARY:

**FRANK C. ZAHRADKA
6 PRAIRIE LANE
BROOKHAVEN, NY 11719**



**NAMES AND ADDRESSES OF SHAREHOLDERS, OFFICERS, AND DIRECTORS
OF EAGLE CONTROL CORPORATION ARE AS FOLLOWS:**

PRESIDENT:

**FRANK C. ZAHRADKA
6 PRAIRIE LANE
BROOKHAVEN, NY**



BLANKET PURCHASE ORDER
County of Nassau
 STATE OF NEW YORK
OFFICE OF PURCHASING

The following blanket order ID number MUST appear on all packages, invoices, claims, and correspondence.

BLANKET PURCHASE ORDER

BPO ID: BPNC21000160 PRINT DATE: 09/07/2021 PAGE: 01

TO CONTRACTOR:

113113241
 EAGLE CONTROL CORP.
 23 OLD DOCK RD.

YAPHANK NY 11980-

SHIP TO:

AS SPECIFIED ON INDIVIDUAL ORDERS

PLEASE REFER ALL QUESTIONS
 CONCERNING THIS ORDER TO:
 STANTON, KIMBERLY 1-6679
 (516) 571-6679

ITB ID	F.O.B. POINT	EXPIRATION DATE	EFFECTIVE DATE	DISCOUNT TERMS
	DESTINATION	08/30/2022	08/31/21	0% NET

TERMS:

TITLE: POOL EQUIPMENT REPIAR, MAINTENANCE AND SERVICE

AUTHORITY: FORMAL SEALED BID # 93165-06151-101, AFTER PUBLISHED NOTICE

BUYER: KIMBERLY STANTON

REPLACES BPNC16000099

PARTICIPATION BY POLITICAL SUBDIVISIONS:

The successful bidder agrees that all political subdivisions of New York State, and all other entities authorized by law to make such purchases, may participate in any award under this bid. These entities shall accept full responsibility for any payments due the successful bidder for their purchases hereunder.

Ordinance 72-2014

<< CONTINUED, NEXT PAGE >>

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IMPORTANT: READ CONDITIONS ON BACK HEREOF

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SEND ALL CORRESPONDENCE FOR ABOVE TO:
 OFFICE OF PURCHASING
 ONE WEST STREET, MINEOLA, NEW YORK 11501

V. J. B...
 DIRECTOR
 OFFICE OF PURCHASING
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The bidder declares that they are a registered vendor for the County.
 All registered vendors must pay a Two Hundred Seventy-Five Dollar
 (\$275.00) per contract fee to register Blanket contracts on the
 County's procurement website, as required under Ordinance # 72-014.

ITEM	COMMODITY ID	MAX QUANTITY	U/M	UNIT COST
1	931-65 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR		EA	600.0000
	LABOR BETWEEN THE HOURS OF 9:00AM AND 5:00 PM MONDAY THRU FRIDAY: . MINIMUM/CALL OUT CHARGE (IF ANY) (INCLUDES 4 HOURS LABOR/1 MAN) .			
2	931-65 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR		EA	165.3000
	LABOR BETWEEN THE HOURS OF 9:00AM AND 5:00 PM MONDAY THRU FRIDAY: . REGULAR HOURLY RATE .			
3	931-65 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR		EA	41.5000
	LABOR BETWEEN THE HOURS OF 9:00AM AND 5:00 PM MONDAY THRU FRIDAY: . EACH ADDITIONAL QUARTER HOUR .			
4	931-65 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR		EA	900.0000
	OVERTIME RATES: ALL OTHER TIMES AFTER 5:00 PM OR BEFORE 9:00 AM MONDAY THRU FRIDAY, OR ANY TIME SATURDAY OR SUNDAY . MINIMUM CHARGE (IF ANY) .			
5	931-65 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR		EA	248.0000

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IMPORTANT. READ CONDITIONS ON BACK HEREOF	
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SEND ALL CORRESPONDENCE FOR ABOVE TO: OFFICE OF PURCHASING ONE WEST STREET, MINEOLA, NEW YORK 11501	DELIVERY MUST BE MADE WITHIN DOORS OF SPECIFIED DESTINATION



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OVERTIME RATES: ALL OTHER TIMES AFTER 5:00 PM OR BEFORE 9:00 AM
 MONDAY THRU FRIDAY, OR ANY TIME SATURDAY OR SUNDAY

REGULAR HOURLY RATE

6 931-65 EA 62.0000
 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR

OVERTIME RATES: ALL OTHER TIMES AFTER 5:00 PM OR BEFORE 9:00 AM
 MONDAY THRU FRIDAY, OR ANY TIME SATURDAY OR SUNDAY

EACH ADDITIONAL QUARTER HOUR

7 931-65 EA
 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR

PARTS:

MANUFACTURERS LIST PRICES (MLP) LESS @ 0%

COST PLUS @ 30%

VENDOR AGREES, IF REQUESTED, TO PROVIDE USER DEPARTMENT, THE COUNTY
 COMPTROLLER, OR AUTHORIZED REPRESENTATIVE OF THE PURCHASING DEPARTMENT
 WITH COPIES OF SUCH MANUFACTURER'S LIST PRICE. THE COST PLUS RATE
 STATED ABOVE WILL BE PAID ONLY WHEN THERE IS NO MANUFACTURER'S LIST PRICE
 AND WHEN BILLING IS ACCOMPANIED BY A WRITTEN NOTICE FROM THE PART
 MANUFACTURER ADVISING THAT IT DOES NOT ISSUE PRICE LISTS OR THAT THE
 PARTICULAR ITEM(S) IN QUESTION DO NOT HAVE A LIST PRICE.

WARRANTY PERIOD: ON SERVICE, REPAIR RENDERED

PARTS: 90 DAYS

LABOR: 90 DAYS

8 931-65 EA
 PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR

EQUIPMENT: RENTAL RATE COST PLUS 0% MUST HAVE PRIOR APPROVAL BY THE
 USING AGENCY.

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ITEM	COMMODITY ID	MAX QUANTITY	U/M	UNIT COST
9	931-65		EA	
PARK AND PLAYGROUND EQUIPMENT MAINTENANCE AND REPAIR				

RESPONSE TIME: MAXIMUM 24 HOURS

END OF ITEM LIST

TERMS:

THE FOLLOWING IS A LIST OF THE POOL LOCATIONS AND EQUIPMENT:

NICKERSON BEACH - LIDO BEACH, NY 11561

EAST & WEST TERRACES (INCLUDING KIDDIE POOLS)

EQUIPMENT:

- 6 EA DEEP SAND FILTERS MFG: SWIM EQUIP
- 2 EA CONTROL PANELS MFG: ECC
- 6 EA MULTIPORT VALVES MFG: SWIM EQUIP
- 4 EA FLOWMETERS MFG: SIGNET
- 4 EA CHEMICAL FEEDERS MFG: MEC-O-MATIC DOLPHINS #SO
- 3 EA CHEMICAL FEEDERS MFG: LIQUID METRONICS

CANTIAGUE PARK -WEST JOHN STREET, HICKSVILLE, NY 11801

EQUIPMENT:

- 1 EA CONTROL PANELS MFG: ECC
- 8 EA SAND FILTERS & REPLACEMENT MEDIA MFG: NEPTUNE
- CONTROL VALVES MFG: GRISWALD
- CENTRIFUGAL PUMPS MFG: ITT
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
- 7 EA CHEMICAL FEEDERS MFG: WALLACE & TIERNAN
- 9 EA FLOWMETERS MFG: SIGNET

WANTAGH PARK - KINGS ROAD, WANTAGH, NY 11793

EQUIPMENT:

- 1 EA CONTROL PANELS MFG: ECC
- 8 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
- CONTROL VALVES MFG: GRISWALD
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
- MISC GAUGES MFG: VARIOUS
- 9 EA FLOWMETERS MFG: SIGNET

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CHEMICAL FEEDERS: 8 EA MFG: WALLACE & TIERNAN
 1 EA MFG: METRONICS INC.
 3 EA MFG: MEC-O-MATICS DOLPHINS

WANTAGH PARK KIDDIE POOL

EQUIPMENT:

1 EA CONTROL PANELS MFG: ECC
 1 EA SAND FILTERS & REPLACEMENT MEDIA MFG: NEPTUNE
 MISC. VALVES MFG: GRISWALD
 MISC. PUMP & MOTOR MFG: ITT 7 US MOTOR
 CHLORINE PUMP (ALL SYSTEMS) MFG: WALLACE & TIERNAN

N. WOODMERE PARK - BR. BLVD, N. WOODMERE, NY 11561

EQUIPMENT:

1 EA CONTROL PANELS MFG: ECC
 8 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
 INFLUENT CONTROL VALVES MFG: GRISWALD
 2 EA LEVEL CONTROL PILOT VALVES MFG: ECC
 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
 MISC GAUGES MFG: VARIOUS
 7 EA FLOWMETERS MFG: SIGNET
 CHEMICAL FEEDERS: 8 EA MFG: WALLACE & TIERNAN
 1 EA MFG: BIF
 1 EA MFG: LIQUID METRONICS INC.
 3 EA MFG: MEC-O-MATIC

N. WOODMERE PARK - BR. BLVD, N. WOODMERE, NY 11561

EQUIPMENT:

1 EA CONTROL PANELS MFG: ECC
 8 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
 9 EA INFLUENT CONTROL VALVES MFG: GRISWALD
 3 EA LEVEL CONTROL PILOT VALVES MFG: ECC
 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
 9 EA FLOWMETERS MFG: SIGNET

CHRISTOPHER MORLEY PARK - 500 SEARINGTOWN RD, ROSLYN

EQUIPMENT:

1 EA CONTROL PANELS MFG: ECC
 3 EA FILTERS WITH 48 ELEMENTS MFG: BIF
 3 EA FLOWMETERS & TRANSMITTERS MFG: BIF
 3 EA INFLUENTIAL CONTROL VALVES MFG: FISHER GOVERNER CO.

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- 3 EA LEVEL CONTROL PILOT VALVES MFG: BIF
- 3 EA DRY FEEDERS MFG: BIF
- 2 EA DIAPHRAGM PENDULUM UNITS MFG: BIF
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
- 2 EA CHEMICAL FEEDERS 2 EA MFG: WALLACE & TIERNAN
- 1 EA MFG: MEC-O-MATIC
- MISC. GAUGES MFG: VARIOUS

AQUATIC CENTER - EISENHOWER PARK, EAST MEADOW, NY
 EQUIPMENT:

- 1 EA CONTROL PANELS MFG: ECC
- MISC. CONTROL VALVES MFG: GRISWALD
- 6 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
- MISC GAUGES MFG: VARIOUS
- CHLORINE MONITORING SYSTEM MFG: ECC
- MISC. CENTRIFUGAL PUMP & MOTORS MFG: ITT & US MOTOR
- 1 EA CHEMICAL FEEDERS MFG: WALLACE & TIERNAN
- 1 EA PREMA 75 PPG

CHEMICAL FEEDERS SHOULD INCLUDE PPG DRY CHLORINE TABLET SYSTEM THESE ITEMS WILL BE COVERED UNDER PLAN "B" TIME AND MATERIALS.

- 1) AT THE FOLLOWING SEASONAL LOCATIONS NC UTILIZES SODIUM HYPOCHLORITE WHICH IS STORED IN POLYETHYLENE TANKS RANGING FROM 165 GALLONS UP TO 1500 GALLONS.

THE FOLLOWING EQUIPMENT WILL BE COVERED: TANKS & ASSOCIATED PLUMBING, VALVES & FITTINGS.

POOL LOCATIONS ARE AS FOLLOWS:

- A) CANTIAGUE - (4) 1500 GALLON TANKS
- B) NORTH WOODMERE - (3) 1250 GALLON TANKS
- (2) 800 GALLON TANKS
- C) AQUATIC CENTER - (1) 165 GALLON TANK

- 2) FACILITIES HAVE POOL VACUUM ROBOTS TO CLEAN THE POOLS FROM VARIOUS MANUFACTURERS-INCLUDED BUT NOT LIMITED TO: AQUAMAX & AQUAKING.

ALL LOCATIONS SHOULD INCLUDE ALL RELATED PLUMBING/PIPING, ALL ATTENDANT HARDWARE.

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SERVICE TO INCLUDE INSTALLATION, REMOVAL AND STORAGE OF POOL COVERS AT THE FOLLOWING LOCATIONS:

- 1) WANTAGH PARK:
 MAIN POOL - 84' X 166'-7" X 8' X 18'-2"
 DIVE TANK - 42'-6" X 44'-8"
- 2) NO. WOODMERE:
 MAIN POOL - 79' X 168' X 6' X 15'-6" X 63'-1"
 DIVE TANK - 52'-6" X 52'-6"
- 3) CANTIAGUE PARK:
 MAIN POOL - 87'-6" X 169'-6" X 5' X 10'-7"
 DIVE TANK - 49' X 63'-11"

REPAIR AND REPLACEMENT OF DEFECTIVE PUMPS AND MOTORS

REPAIR AND REPLACEMENT OF POOL PIPING VALVES AND LEAK DETECTION.
 REPAIR AND REPLACEMENT OF TANKS AND PIPING.

POOL START-UPS EACH SEASON

POOL MAINTENANCE CLASSES FOR OPERATION AND CARE POST-SEASON SHUT DOWN

INTERACTIVE FEATURE EQUIPMENT AND POOL INJECTOR REPAIRS AND REPLACEMENT

REPAIR AND REPLACEMENT OF THE FOLLOWING

- 1) DEFECTIVE PUMPS AND MOTORS
- 2) PIPING VALVES AND LEAK DETECTION
- 3) TANKS AND PIPING
- 4) INTERACTIVE FEATURE EQUIPMENT
- 5) POOL INJECTOR
- 6) CO2 INJECTOR
- 7) MONITORING EQUIPMENT
- 8) CHEMICAL STORAGE TANKS
- 9) FIBERGLASS ON POOL LINERS

LADDER REPLACEMENTS AND PARTS FOR THE FOLLOWING:

- 1) SLIDES
- 2) DIVING BOARDS
- 3) LIFEGUARD CHAIRS
- 4) RE-GEL COATING OF SLIDES

<< CONTINUED, NEXT PAGE >>

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PURCHASING OF SAFETY EQUIPMENT SUCH AS:

SAFETY BUMPERS FOR INTER-ACTIVE POOLS, GRIP TAPE FOR STAIRWAYS ON ALL SIDES.

TESTING EQUIPMENT SUCH AS:

PH+ AND PH-, CHLORINE NEUTRALIZER, TEST TABLETS DRY CHLORINE TABLET FOR CHEMICAL FEEDERS, TUBING FOR CHLORINE LINES, CHLORINES INJECTOR PUMPS, DRY ACID PUMPS.

POOL SUPPLIES SUCH AS:

VACUUM HEADS AND VACUUM POLES AND HOSES, VACUUMS, SKIMMER HEADS, POLES, POOL BRUSHES, HANDICAP ACCESSIBLE EQUIPMENTS AND REPAIRS POOL PAINT, POOL CORKING AND PUTTY, CLEANING AND CHANGING THE SAND IN THE FILTERS, REPLACEMENT OR REPAIR OF HYDROSTATIC VALVES IN POOLS.

 The County of Nassau (hereinafter called the County) represented by the Director, Office of Purchasing (hereinafter called the Director), and the individual, partnership, joint venture or corporation named above (hereinafter called the contractor) mutually agree to perform this contract in strict accordance with the general provisions attached hereto and the specifications, terms and conditions contained herein.

AUTHORITY: AWARDED UNDER SEALED BID #93165-06151-101 AFTER PUBLISHED notice.

WORK TO BE PERFORMED FOR: DEPARTMENT OF RECREATION AND PARKS

PERIOD COVERED: SHALL BE FOR ONE (1) YEAR FROM THE EFFECTIVE DATE WITH AN OPTION BY THE COUNTY OF NASSAU TO EXTEND THE BLANKET PURCHASE ORDER UP TO AN ADDITIONAL FOUR (4) YEAR(S), AT UP TO ONE (1) YEAR OPTIONS. HOWEVER, THE TERMINATION OF THIS CONTRACT MAY BE FURTHER EXTENDED UP TO TWO (2) MONTHS BEYOND THE TERMINATION DATE STATED HEREIN.

THE MAXIMUM PERIOD OF THIS CONTRACT WITH OPTIONS RENEWED SHALL BE << CONTINUED, NEXT PAGE >>

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FIVE YEARS, AND, IF THE FURTHER EXTENSION IS APPLIED, UP TO FIVE (5) YEARS AND TWO (2) MONTHS.

ALL EXTENSIONS ARE SUBJECT UPON THE MUTUAL CONSENT OF BOTH PARTIES.

TERMINATION: THE COUNTY RESERVES THE RIGHT TO CANCEL THIS BLANKET PURCHASE ORDER BY GIVING NOT LESS THAN THIRTY (30) DAYS WRITTEN NOTICE THAT, ON OR AFTER A DATE THEREIN SPECIFIED, THE CONTRACT SHALL BE DEEMED TERMINATED AND CANCELLED.

PAYMENT: A CERTIFIED INVOICE, OR A COUNTY CLAIM FORM TO WHICH THE INVOICE IS ATTACHED, SHALL BE SUBMITTED IN ARREARS, DIRECTLY TO THE USING AGENCY, SUPPORTED BY VOUCHERS SIGNED BY AGENCY PERSONNEL ATTESTING TO THE SATISFACTORY COMPLETION OF THE REQUIRED SERVICES AS SPECIFIED.

***** VENDOR CLAIM CERTIFICATION *****

IF A CLAIM VOUCHER IS NOT BEING SUBMITTED, THE FOLLOWING CERTIFICATION MUST APPEAR ON THE INVOICE:

I HEREBY CERTIFY THAT ALL ITEMS OR SERVICES WERE DELIVERED OR RENDERED AS SET FORTH IN THIS CLAIM; THAT THE PRICES CHARGED ARE IN ACCORDANCE WITH THE REFERENCED PURCHASE ORDER, DELIVERY ORDER OR CONTRACT, THAT THE CLAIM IS JUST, TRUE AND CORRECT; THAT THE BALANCE STATED HEREIN IS ACTUALLY DUE AND OWING AND HAS NOT BEEN PREVIOUSLY CLAIMED; THAT NO TAXES FROM WHICH THE COUNTY IS EXEMPT ARE INCLUDED; AND THAT ANY AMOUNTS CLAIMED FOR DISBURSEMENTS HAVE ACTUALLY AND NECESSARILY BEEN MADE.

CLAIMANT NAME

DATE

BY (SIGNATURE)

TITLE

*** CLAIM VOUCHERS OR CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL**
 *** BE RETURNED TO YOU UNPAID.*****

PRICES: Shall remain firm for the first year of the Blanket Purchase
 << CONTINUED, NEXT PAGE >>

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Order and no upward escalation will be permitted. Thereafter, increases in labor and/or materials costs may be considered, provided they are based on certified labor contracts, uncontrollable material costs which can be verified in national publications, or other increases auditable by the County. The burden of proof for such increases shall be upon the contractor and shall be formally directed to the Director. The decision as to whether or not such increases will be granted shall be made by the Director and shall be final. In the event an increase is not granted when requested, the contractor may elect to continue at the bid prices or give written notice of termination, upon receipt of which the Blanket Purchase Order will be rebid.

APPROXIMATE QUANTITIES; WHEN INDICATED, ARE MERELY ESTIMATES BASED ON EXPERIENCE AND ARE GIVEN FOR INFORMATIONAL PURPOSES ONLY. THE COUNTY WILL NOT BE COMPELLED TO ORDER THE TOTAL ESTIMATED AMOUNT OF ANY RESPECTIVE ITEM. CONTRACTS, HOWEVER, SHALL BE FOR THE QUANTITIES ACTUALLY ORDERED BY COUNTY AGENCIES DURING THE PERIOD SPECIFIED.

ADDITIONAL BIDS: THE COUNTY RESERVES THE RIGHT, FOR ANY UNCONTEMPLATED ADDITIONAL REQUIREMENTS OF EXTRAORDINARY QUANTITIES OF PARTICULAR ITEMS, TO CALL FOR NEW BIDS, WHENEVER, IN THE OPINION OF THE DIRECTOR, OFFICE OF PURCHASING, IT IS IN THE BEST INTERESTS OF THE COUNTY TO DO SO.

DELIVERY: BIDDERS ARE REQUIRED TO STATE GUARANTEED DELIVERY DATE IN TERMS OF DAYS AFTER RECEIPT OF ORDER IN THE SPACE PROVIDED. BIDDERS ARE CAUTIONED TO POST REALISTIC DELIVERY DATES. GUARANTEED DELIVERY DATES WILL BE STRICTLY ENFORCED.

STATE GUARANTEED DELIVERY DATE: _____ DAYS A/R/O

DEFAULT: IF CONTRACTOR IS DEEMED TO BE IN DEFAULT AND SAID DEFAULT CONTINUES FOR MORE THAN FIFTEEN DAYS, THEN THE COUNTY MAY PERFORM SAID WORK EITHER ITSELF OR BY ENGAGING OTHERS AND THE COST THEREFOR, WILL BE DEDUCTED FROM THE CONTRACT. IF A GREATER SUM IS EXPENDED THAN IS DUE THE CONTRACTOR, THE CONTRACTOR SHALL BE RESPONSIBLE FOR SAME, UNLESS THE BONDING COMPANY HAS PERFORMED SAID WORK IN ACCORDANCE WITH THE PERFORMANCE SECURITY PROVISIONS HEREIN.

PARTICIPATION BY COUNTY DEPARTMENTS IN THIS BLANKET ORDER SHALL BE
 << CONTINUED, NEXT PAGE >>

EXCISE AND SALES TAXES: THE PRICES HEREIN SHOULD NOT INCLUDE ANY FEDERAL EXCISE TAXES OR SALES TAXES IMPOSED BY ANY STATE OR MUNICIPAL GOVERNMENT. SUCH TAXES, IF INCLUDED, MUST BE DEDUCTED BY THE VENDOR WHEN SUBMITTING CLAIM FOR PAYMENT.	
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BLANKET PURCHASE ORDER
County of Nassau
 STATE OF NEW YORK
OFFICE OF PURCHASING

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ACCOMPLISHED BY A DELIVERY ORDER (Form ADPICS GS D/O). THE DELIVERY ORDER IS PREPARED BY USING THE ADPICS 2360 SCREEN. AFTER RECEIVING ALL THE REQUIRED ELECTRONIC APPROVALS, THE DELIVERY ORDER WILL BE PRINTED, SIGNED BY THE AGENCY HEAD, AND MAILED TO THE VENDOR.

INDEMNIFICATION

Contractor agrees to indemnify and hold harmless County, its agents, officers and employees from and against any and all losses, costs, expenses (including attorneys' fees and disbursements), damages and liabilities, arising out of or in connection with any acts or omissions of Contractor, its officers, agents or employees, provided, however, that Contractor shall not be responsible for that portion, if any, of a loss that is caused by the negligence of the County, and provided, further, that Contractor shall not be liable for consequential, indirect or special damages. Contractor shall, at County's demand and at County's direction, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought against County, its agents, officers or employees in connection with a loss for which Contractor is responsible under this paragraph.

ANY BLANKET PURCHASE ORDER ISSUED AS A RESULT OF THIS BID WILL ESTABLISH TERMS AND CONDITIONS PURSUANT TO WHICH CERTAIN MATERIALS AND/OR SERVICES ARE TO BE SUPPLIED OR PERFORMED, FROM TIME TO TIME, FOR A SPECIFIED PERIOD UPON ISSUANCE BY THE COUNTY OF DELIVERY ORDERS. THE BLANKET PURCHASE ORDER IS NON-EXCLUSIVE AND THE COUNTY IS NOT BOUND TO PURCHASE, AND NO MATERIALS ARE TO BE DELIVERED OR SERVICES PERFORMED WITHOUT A DELIVERY ORDER. THE COUNTY SHALL UNDER NO OBLIGATION WHATSOEVER TO ISSUE SUCH DELIVERY ORDERS. THE BLANKET PURCHASE ORDER SHALL NOT APPLY IN ANY WAY TO ITEMS OF MATERIAL OR SERVICE DEEMED BY THE COUNTY IN ITS SOLE DISCRETION TO BE EXTRAORDINARY OR INVOLVE ANY SPECIAL CONDITIONS, QUANTITIES, CIRCUMSTANCES OR COMPLEXITIES.

Appendix EE:

Equal Employment Opportunities For Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, state & local statutory

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constitutional anti-discrimination provisions. In addition, Local Law No.14-2002, entitled "Participation by, Minority Group Members & Women in Nassau County Contracts", governs all County Contracts as defined by such title & solicitations for bids or proposals for County Contracts. In accordance with Local Law No.14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations & rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such employment agency labor union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make Best Efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBE's") as defined in Section 101 of Local Law No.14-2002 including the granting of Subcontracts.

(e) The contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBE's and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

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(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan and additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractors fulfillment of Best Efforts to obtain participation by Certified M/WBE's.

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant is considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No.14-2002 providing for the enforcement of violations as follows:

(a) Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law

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No.14-2002, This Appendix EE or any other contractual provisions included in furtherance of Local Law No.14-2002, the Executive Director will try to resolve the matter.

(b) If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.

(c) Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the impositions of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended, impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested.

The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight
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responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the following term meanings shall apply:

"Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

"County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or any other securities.

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"County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

"County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

"Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBES whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBES is suggested to be included with the Best Effort Documentation.
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation.
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review the bid specifications, blue prints and all other bid/RFP

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related items at no charge to the M/WBES, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.

e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBES to participate effectively, to the extent practicable given the time frame of the County Contract.

f. Proof or affidavit that negotiations were held in Best Efforts with interested M/WBES, and that M/WBES were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation.

g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.

h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation.

i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

"Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (1) of these rules.

"Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

"Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of
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materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Contractor shall retain complete and accurate records and documents related to this Agreement for six (6) years following the later of termination or final payment. Such records shall at all times be available for audit and inspection by the County.

Governing Law - Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

Prohibition of Gifts

In accordance with County Executive Order 2-2018, the contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a 'County Representative'), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, 'anything of value' shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For the purpose of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The

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contractor shall include the provisions of this subsection in each subcontract entered into under this agreement.

Disclosure of Conflicts of Interest

In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

Ordinance 153-2018

Pursuant to Ordinance # 153-2018, A bidder that is awarded a contract under this bid is required to pay the County an administrative service charge in accordance with the following schedule:

Value of Contract	Administrative Fee
\$0 - \$10,000	\$0.00
Over \$10,000 - \$50,000	\$160.00
Over \$50,000 - \$100,000	\$266.00
Over \$100,000	\$533.00

After an award, the successful bidder(s) will be notified by the Director of Shared Services, or their designee, when payment of the administrative charge is due. Please note, if you are a religious, charitable, nonprofit, or not-for-profit organization, please include this information in your bid for consideration by the Director of Shared Services to Waive the fee.

 ALL TERMS, CONDITIONS AND SPECIFICATIONS OF THE SEALED BID ARE INCORPORATED BY REFERENCE IN THIS BLANKET ORDER

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FORMAL SEALED BID PROPOSAL

	STATE OF NEW YORK		BID NUMBER 93165-06151-101
	COUNTY OF NASSAU BIDS WILL BE RECEIVED AND OPENED AT OFFICE OF PURCHASING, 1 WEST STREET, NORTH ENTRANCE, MINEOLA, NEW YORK 11501 OFFICE HOURS 9 AM – NOON & 1 PM – 4:45 PM		Ad Date: 06/03/2021
			BID OPENING DATE 06/15/2021 11:00 A.M. E.D.S.T.
BUYER Kimberly Stanton	TELEPHONE: 516-571-6679	REQUISITION NUMBER OFFICE OF PURCHASING	

PREPARE YOUR BID ON THIS FORM USING BLACK INK OR TYPEWRITER

BID TITLE: POOL EQUIPMENT REPAIR, MAINTENANCE and SERVICE

JUN 15 2021

• ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED

THE UNDERSIGNED BIDDER AFFIRMS AND DECLARES THAT HE/SHE HAS CAREFULLY EXAMINED THE ADVERTISED INVITATION FOR BIDS, THE BID TERMS AND CONDITIONS, AND DETAILED SPECIFICATIONS, AND CERTIFIES THAT THIS BID IS SIGNED WITH FULL KNOWLEDGE AND ACCEPTANCE OF ALL THE PROVISIONS THEREOF AND OFFERS AND AGREES, IF THIS BID IS ACCEPTED WITHIN NINETY (90) DAYS FROM THE BID OPENING DATE TO FURNISH ANY OR ALL THE ITEMS UPON WHICH PRICES ARE HEREINAFTER QUOTED IN THE QUANTITY AND AT THE PRICES BID.

CASH DISCOUNT OF 0 PERCENT WILL BE ALLOWED FOR PROMPT PAYMENT WITHIN 20 BUSINESS DAYS.

THE BIDDER CERTIFIES THAT: (A) THE BID HAS BEEN ARRIVED AT BY THE BIDDER INDEPENDENTLY AND HAS BEEN SUBMITTED WITHOUT COLLUSION WITH ANY OTHER VENDOR OF MATERIALS, SUPPLIES OR EQUIPMENT OF THE TYPE DESCRIBED IN INVITATION FOR BIDS, AND (B) THE CONTENTS OF THE BID HAVE NOT BEEN COMMUNICATED BY THE BIDDER, NOR, TO ITS BEST KNOWLEDGE AND BELIEF, BY ANY OF ITS EMPLOYEES OR AGENTS, TO ANY PERSON NOT AN EMPLOYEE OR AGENT OF BIDDER OR ITS SURETY ON ANY BOND FURNISHED HERewith PRIOR TO OFFICIAL OPENING OF THE BID.

DELIVERY MADE TO: Department of Recreation and Parks Eisenhower Park East Meadow, NY 11554	GUARANTEED DELIVERY DATE <u>14</u> DAYS AFTER RECEIPT OF ORDER EMPLOYERS FEDERAL TAX ID NUMBER 11-3113241
---	--

TOLL FREE TELEPHONE NUMBER:
BIDS MUST BE SIGNED BY PROPRIETOR, PARTNER OR OFFICER AUTHORIZED TO SIGN FOR CORPORATION

NAME OF BIDDER	EAGLE CONTROL CORPORATION		
ADDRESS	23 OLD DOCK ROAD		
CITY	YAPHANK	STATE NY	ZIP CODE 11980 TELEPHONE 631-924-1315
SIGNATURE OF AUTHORIZED INDIVIDUAL	FRANK C ZAHRADKA, PRESIDENT PRINT OR TYPE NAME OF SIGNER AND TITLE		

IN EXECUTING THIS BID, THE BIDDER WARRANTS THAT THE PRICES SUBMITTED HEREIN ARE NOT HIGHER THAN THOSE OFFERED TO ANY GOVERNMENTAL OR COMMERCIAL CONSUMER FOR LIKE DELIVERIES. THE PRICES HEREIN SHOULD NOT INCLUDE ANY FEDERAL EXCISE TAXES OR SALES TAXES IMPOSED BY ANY STATE OR MUNICIPAL GOVERNMENT. SUCH TAXES, IF INCLUDED, MUST BE DEDUCTED BY THE BIDDER WHEN SUBMITTING BID. BIDDERS ARE REQUESTED TO ALSO READ THE TERMS AND CONDITIONS.

BID TERMS AND CONDITIONS

- Bids on equipment must be on standard new equipment, latest model, except as otherwise specifically stated in proposal or detailed specification. Where any part of nominal appurtenances of equipment is not described, it shall be understood that all equipment and appurtenances which are usually provided in the manufacturer's stock model shall be furnished.
- Bids on materials and supplies must be for new items except as otherwise specifically stated in bid or detailed specifications.
- Bidder declares that the bid is made without any connection with any other Bidder, submitting a bid for the same items, and is in all respects fair and without collusion or fraud.
- PRICES The provisions of the New York State Fair Trade Law (Federal-Crawford Act) and the federal price discrimination law (Robinson-Patman Act) do not apply to purchases made by the County.
- SURETY In the event that an award is made hereunder, The Director of Purchase reserves the right to request successful bidders to post, within one week, security for faithful performance, with the understanding that the whole or any part thereof may be used by the County of Nassau to supply any deficiency that may arise from any default on the part of the Bidder. Such security must meet all the requirements of the County Attorney and be approved by the County Attorney.

BRUCE 1000160
 8/30/21

6. **SAMPLES** Samples, when required, must be submitted strictly in accordance with instructions; otherwise bid may not be considered. If samples are requested subsequent to bid opening, they shall be delivered within five (5) days of the request for bid to have consideration. Samples must be furnished free of charge and must be accompanied by descriptive memorandum invoices indicating if the Bidder desires their return; also specifying the address to which they are to be returned, provided they have not been used or made useless by tests. Award samples may be held for comparison with deliveries. Samples will be returned at the Bidders risk and expense.
7. Award The Director, Office of Purchasing reserves the right before making award to make investigations as to whether or not the items, qualifications or facilities offered by the Bidder meet the requirements set forth herein and are sample and sufficient to insure the proper performance in the event of award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery and capacity of the manufacturer for the production and distribution of the material on which he is bidding. Upon request of the Director, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that articles or equipment proposed to be furnished do not meet the requirements called for, or that the qualification, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.
8. Awards will be made to the lowest responsible Bidder. Cash discounts will not be a factor in determining awards, except in tie bids. Consideration will be given to the reliability of the Bidder, the quantities of the materials, equipment or supplies to be furnished, their conformity with the specifications, the purpose for which required and the terms of delivery.
9. The Director reserves the right to reject and all bids in whole or in part and to waive technical defects, irregularities and omissions if in his judgment the best interests of the County will be served.
10. Unless otherwise indicated herein, the Director reserves the right to make award by items, by classes, by group of items, or as a whole.
11. **DELIVERIES** Upon failure of the Vendor to deliver within the time specified, or within reasonable time as interpreted by the Director, or failure to make replacement of rejected articles, when so requested immediately or as directed by the Director, the Director may purchase from other sources to take the place of the item rejected or not delivered. The Director reserves the right to authorize immediate purchase from other sources against rejections on any order when necessary. On all such purchases the Vendor agrees to promptly reimburse the County for excess cost occasioned by such purchases. Should the cost be less, the Vendor shall have no claim to the difference. Such purchases will be deducted from order quantity.
12. An order may be canceled at the Vendors expense upon nonperformance. Failure of the Vendor to furnish additional surety within ten (10) days from date of requested shall be sufficient cause for the cancellation of the order.
13. When in the determination of the Director, the articles or equipment delivered fail to meet County specifications or, if in the determination of the Director, the Vendor consistently fails to deliver as ordered, the Director reserves the right, to cancel the order and purchase the balance from other sources at Vendor expense.
14. Delivery must be made as ordered and in accordance with the bid. If delivery instructions do not appear on order. It will be interpreted to mean prompt delivery. The decision of the Director as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of order shall rest with the Vendor.
15. The County Agencies will not schedule any deliveries for Saturdays, Sundays or Legal Holiday, except commodities required for daily consumption or where the delivery is an emergency, a replacement, or is overdue, in which event the convenience of the Agency will govern.
16. Supplies shall be securely and properly packed for shipment, according to accepted commercial practice, without extra charge for packing cases, reels, bailing or sacks, the containers to remain the property of the agency unless definitely stated otherwise in the bid.
17. The Vendor shall be responsible for delivery of supplies in good condition at point of destination. The Vendor shall file all claims with carrier for breakage, imperfections and other losses, which will be deducted from invoices. The receiving Agency will note for the benefit of Vendor when packages are not received in good conditions.
18. All supplies which are customarily labeled or identified must have securely affixed thereto the original un-mutilated label or marking of the manufacturer.
19. Billings for deliveries must be rendered on County claim forms.
20. Furniture, machines, and other equipment must be delivered, installed and set in place as directed, ready for use unless otherwise specified.
21. Deliveries are subject to reweighing at destination by the County and payment will be made on the basis of materials delivered. Normal shrinkage will be allowed in such instances where shrinkage is possible. Short weight shall be sufficient cause for cancellation of order at Vendors expense.
22. **GUARANTEES BY BIDDER** Bidder hereby guarantees: (a) To save the County, its agents and employees harmless from liability of any nature or kind for the use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance hereof of which the Bidder is not the Patentee, assignee or licensee, and to defend any action brought against the County in the name of the County and under the direction of the County Attorney at the sole cost of the Bidder or in the sole option of the Director to pay the cost of such defense to the County. (b) His products against defective material or workmanship and to repair any damages or marring occasioned in transit.
 - (c) To furnish adequate protection from damage for all work and to repair damages of any kind, for which he or his workmen are responsible, to the building or equipment, to this own work or the work of other Vendors, or in the opinion of the Director to pay for the same by deductions in payments due under this contract.
 - (d) To pay for all permits, licenses and fees and give all notices and comply with all laws ordinances, rules and regulations of the city, village or town in which the installation his to be made, and of the County of Nassau and the State of New York.
 - (e) To carry proper insurance in the opinion of the Director, and approved by the County Attorney to protect the County from loss in case of accident, fire and theft.
 - (f) That he will keep himself fully informed, of all municipal ordinances and regulations, state and national laws in any manner affecting the work or goods herein specified, and any extra work contracted for by him, and shall at all times observe and comply with said ordinances, laws and regulations, including all provisions of the Workmen Compensation and Labor Laws, and shall indemnify and save harmless the County of Nassau and the Nassau County Legislature from loss and liability upon any and all Claims on account of any physical injury to persons, including death, or damage to property and from all cost and expenses in suits which may be brought against the same on account of such injuries irrespective of the actual cost of the same and irrespective of whether the same shall have been due to the negligence of the Bidder or his agents.
 - (g) That the items furnished shall conform to all the provisions of the bid and this warranty shall survive acceptance or use of any material so furnished.
 - (h) That all deliveries will not be inferior to the accepted bid sample.
23. **LABOR LAWS and ANTIDISCRIMINATION.** Upon the vendor acceptance hereof, the vendor agrees to comply with Article IX, Section 2 C of the Constitution of the State of New York, Section 220 220a, 220b, 220d, 220e and 230 of the Labor Law, Section 5 and 12 of the Lien Law, Article 2 of the Uniform Commercial Code, Sections 108 and 109 as well as Article 18 of the General Municipal Law, Section 2218 of the County Government Law of Nassau County. Section 224.2 of the Nassau County Administrative Code, the provisions of the anti-Discrimination Order of Nassau County, and the vendor shall keep himself fully informed of all additional municipal ordinances and regulations, State and National Laws in any manner affecting this order and the goods or services delivered or rendered or to be delivered or rendered there under, and shall at all times observe and comply with said ordinances, laws and regulations at his sole cost and expense.
24. **ASSIGNMENT.** The contractor is hereby prohibited from assigned, transferring, conveying, subletting or otherwise disposing of this contract or his right, title, or interest therein, or his power to execute such contract, to any other person or corporation without the previous consent in writing of the officer, board or agency awarding the contract.
25. The County of Nassau will not be responsible nor liable for any shipment or delivery of any materials, supplies, or equipment without it's express written instructions or valid Purchase Order.
26. No agreements, changes, modifications or alterations shall be deemed effective nor shall the same be binding upon the County unless in writing and signed by the Director, Office of Purchasing or his duly/ designated representative.

Director, Office of Purchasing

QUALIFICATION STATEMENT

BIDDER'S NAME: EAGLE CONTROL CORPORATION

ADDRESS: 23 OLD DOCK ROAD YAPHANK NY 11980

1. STATE WHETHER: CORPORATION X INDIVIDUAL _____ PARTNERSHIP _____

2. IF A CORPORATION OR PARTNERSHIP LIST NAME(S) AND ADDRESS(S) OF OFFICER(S) OR MEMBER(S)
PRESIDENT FRANK C ZAHRADKA 6 PRAIRIE LANE BROOKHAVEN NY

VICE PRESIDENT _____

SECRETARY _____

FRANK C ZAHRADKA 6 PRAIRIE LANE BROOKHAVEN NY

TREASURER _____

FRANK C ZAHRADKA 6 PRAIRIE LANE BROOKHAVEN NY

3. HAVE YOU FILED A QUALIFICATION STATEMENT WITH THE COUNTY OF NASSAU? YES
IF SO WHEN? _____

4. HOW MANY YEARS HAS YOUR ORGANIZATION BEEN IN BUSINESS UNDER YOUR PRESENT NAME? 47

5. HAVE YOU, OR YOUR FIRM, EVER FAILED TO COMPLETE ANY WORK AWARDED TO YOU? NO
IF SO, WHERE AND WHY? _____

6. IN WHAT OTHER LINES OF BUSINESS ARE YOU OR YOUR FIRM INTERESTED? _____
CONTROL AND INSTRUMENTATION, AND WELL AND WELL PUMP WORK

7. WHAT IS THE EXPERIENCE OF THE PRINCIPAL INDIVIDUALS OF YOUR ORGANIZATION RELATING TO THE SUBJECT OF THIS BID?

INDIVIDUALS NAME	PRESENT POSITION	YEARS OF EXPERIENCE	MAGNITUDE AND TYPE OF WORK	IN WHAT CAPACITY
FRANK C ZAHRADKA	PRESIDENT	37 YEARS	CONTROLS & INSTRUMENTATION	ENGINEERING/SALES
F.RICHARD THAEDER	MANAGER	29 YEARS	WELL & WELL PUMP	MGMNT / SALES

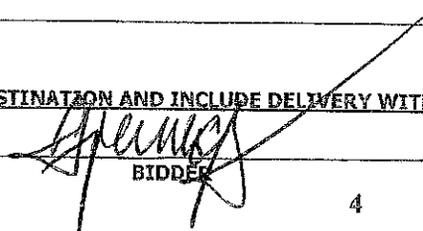
8. IN WHAT MANNER HAVE YOU INSPECTED THIS PROPOSED WORK? EXPLAIN IN DETAIL

WE HAVE BEEN AT THE VARIOUS SITES AS WE HAVE PERFORMED WORK

FOR NASSAU COUNTY PARKS & REC IN THE PAST

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

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PRESIDENT
TITLE

9. THE CONTRACT, IF AWARDED TO YOU OR YOUR FIRM, WILL HAVE THE PERSONAL SUPERVISION OF WHOM? GIVE NAME AND PRESENT POSITION

F. RICHARD THAEDER MANAGER / SUPERVISOR

10. BIDDERS ARE REQUIRED TO COMPLETE THIS FORM PROVIDING THREE (3) REFERENCES OF PAST PERFORMANCE. REFERENCES SHOULD INVOLVE PROJECTS AND/OR SERVICE SITUATIONS OF SIMILAR SIZE AND SCOPE TO THIS BID. REFERENCES MUST HAVE HAD DEALING WITH THE BIDDER WITHIN THE LAST THIRTY-SIX (36) MONTHS. THE COUNTY RESERVES THE RIGHT TO CONTACT ANY OR ALL OF THE REFERENCES SUPPLIED FOR AN EVALUATION OF PAST PERFORMANCE IN ORDER TO ESTABLISH THE RESPONSIBILITY OF THE BIDDER BEFORE THE ACTUAL AWARD OF THE BID AND/OR CONTRACT. COMPLETION OF THE REFERENCE FORM IS REQUIRED.

NASSAU COUNTY (AND ANY OF ITS AGENCIES) MAY BE LISTED AS AN ADDITIONAL REFERENCE, BUT MAY NOT BE SUBSTITUTED FOR ANY OF THE THREE REQUIRED REFERENCES.

1. REFERENCE'S NAME:

WESTBURY WATER DISTRICT

ADDRESS:

160 DREXEL AVENUE

WESTBURY NY

TELEPHONE: 516-333-0427

CONTACT PERSON

JOHN INGRAM / PAUL PRIGNANO

CONTRACT DATE:

2. REFERENCE'S NAME:

SO HUNTINGTON WATER DISTRICT

ADDRESS:

75 FIFTH AVENUE

HUNTINGTON STATION NY

TELEPHONE: 631-427-8190

CONTACT PERSON

KEN CARSTEN / MIKE MCGOVERN

CONTRACT DATE:

3. REFERENCE'S NAME:

GREENLAWN WATER DISTRICT

ADDRESS:

45 RAILROAD STREET

GREENLAWN NY

TELEPHONE: 631-261-0874

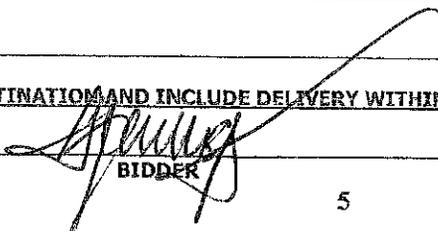
CONTACT PERSON

BOB SANTORIELLO

CONTRACT DATE:

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BIDDER

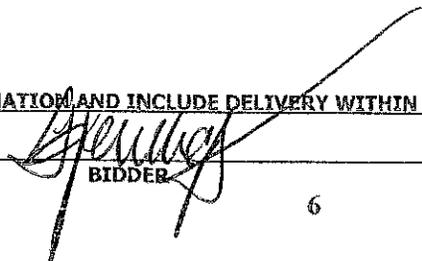
PRESIDENT
TITLE

USE SEPARATE PAGE IF ADDITIONAL SPACE IS NEEDED.

I certify that all the statements contained in this document are true, complete and correct to the best of my knowledge and belief and are made in good faith, including data contained in the Organization's Relevant Experience. A false certification or failure to disclose information shall be grounds for disqualification or termination of any award.

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TITLE

IRAN DIVESTMENT ACT COMPLIANCE CERTIFICATION

Pursuant to General Municipal Law Section 103-g, which generally prohibits the County from entering into contracts with persons engaged in investment activities in the energy sector of Iran, the Bidder submits the following certification:

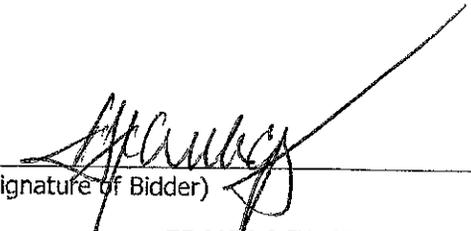
PLEASE CHECK ONE:

By submission of this Bid, I certify, and in the case of a joint Bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of my knowledge and belief, that the Bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law.

OR

I am unable to certify that the Bidder does not appear on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. I have attached a signed statement setting forth in detail why I cannot so certify.

Dated: JUNE 11, 2021



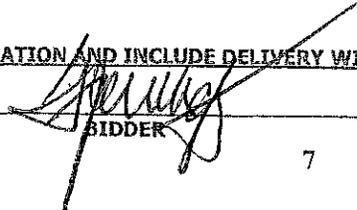
(Signature of Bidder)

Print Name: FRANK C ZAHRADKA

Print Title: PRESIENT

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BIDDER

President

TITLE

Appendix EE

EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined by such title and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgrading's, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgrading's, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make Best Efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, including the granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

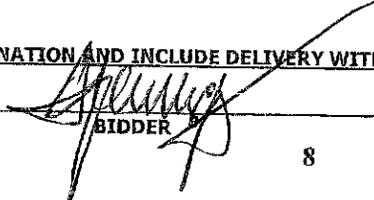
(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

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(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation..

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefore or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

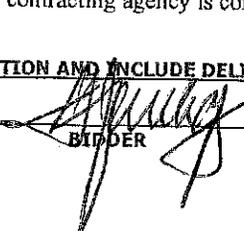
The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition,

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construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

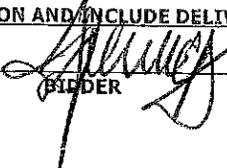
As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in Best Efforts with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

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As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

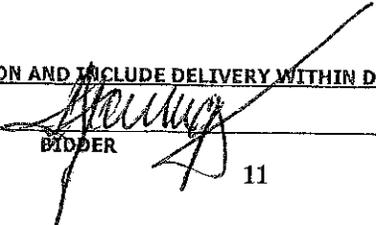
Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

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INDEMNIFICATION:

Contractor agrees to indemnify and hold harmless County and its agents, officers and employees, from and against any and all losses, costs, expenses (including attorneys' fees and disbursements), damages and liabilities, arising out of or in connection with any acts or omissions of Contractor, its officers, agents or employees, provided, however, that Contractor shall not be responsible for that portion, if any, of a loss that is caused by the negligence of the County; and provided, further, that Contractor shall not be liable for consequential, indirect or special damages. Contractor shall, at County's demand and at County's direction, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought against County, its agents, officers or employees in connection with a loss for which Contractor is responsible under this paragraph.

DEFINITIONS:

- The term "County" as used herein, shall be deemed as reference to the County of Nassau, State of New York.
- The term "Contractor" as used herein, shall be deemed as reference to the successful bidder, vendor, proprietor, partnership, or corporation receiving an award to perform any or all of the services specified herein in accordance with the terms of this agreement.
- The term "agency" as used herein, shall be deemed as the department, division, bureau, office, agency or other Nassau County establishment authorized to receive the service specified herein.
- The term "Director" as used herein, shall be deemed as reference to the Director of the Office of Purchasing.
- The term "Blanket Order" as used herein, shall be deemed as the multiple use pricing agreement as a result of this bid.
- The term "Purchase Order" as used herein, shall be deemed as the single use pricing agreement as a result of this bid.
- The term "complete" as written in this bid must include all equipment, delivery and installation of same in its entirety, as listed in the contract documents, and is to include all supervision, labor, materials, plant equipment, transportation, testing, (if required) incidentals, and other facilities as necessary and/or required to execute all the work as herein specified, or as incidentally required to provide a complete operating installation.

NOTE: INSERT FEDERAL IDENTIFICATION NUMBER IN SPACE PROVIDED ON PAGE 1.

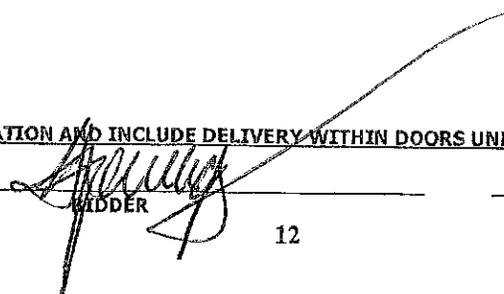
M/WBE, SDVOB and DBE Participation: The County encourages the participation of certified Service-Disabled Veteran-Owned Businesses ("SDVOB"), Minority or Women-Owned Business Enterprises ("M/WBE"), and Disadvantaged Business Enterprises ("DBE") in the bidding process. A Contractor that is certified by New York State or the County as a SDVOB, M/WBE, and/or DBE should include this information in their bid. For more information regarding the County's SDVOB, M/WBE, or DBE programs, please visit the Nassau County Office of Minority Affairs website

IMPORTANT

PRICE MUST BE INSERTED WITH TYPEWRITER OR INK. BIDS MUST BE SIGNED IN INK. TO ASSURE OFFER REACHING IN TIME, **YOU ARE URGED TO MAIL YOUR FORMAL SEALED BID EARLY. THIS FORMAL SEALED BID MUST REACH OUR OFFICE BY 11:00 A.M.** LATE FORMAL SEALED BIDS WILL NOT BE ACCEPTED.

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REQUIRED VENDOR DISCLOSURE FORMS

Prior to the bid opening, the following disclosure forms (the "Disclosure Forms") must be submitted in the Nassau County Vendor Portal at

https://apex5.nassaucountyny.gov/ords/f?p=312:LOGIN_DESKTOP:3445712403627:

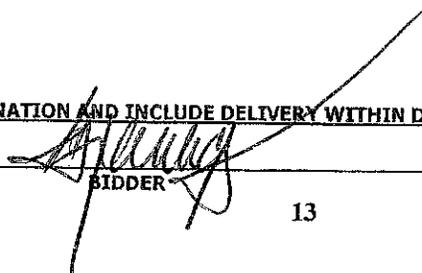
- a. A duly completed and verified Business History Form, together with a current certified or verified financial statement and/or other commercially reliable written evidence of the bidder's credit, financial standing and capacity to perform in accordance with the terms of the Contract.
- b. All officers, and any individuals who hold a ten percent (10%) or greater ownership interest in the bidder, shall complete and verify the Principal Questionnaire.
- c. The County of Nassau Consultant's, Contractor's and Vendor's Disclosure Form
- d. Additionally, if the bidder utilizes the services of any individual or organization for the purposes of conducting lobbying activities and is awarded the contract, the successful proposer will be required to provide a copy of the Lobbyist Registration and Disclosure Form, completed and verified by that individual/organization.

PLEASE NOTE:

- If a bidder has previously submitted the Disclosure Forms in the Nassau County Vendor Portal, the bidder must ensure that the forms on file in the Portal are current, accurate, and have been recertified within three (3) months prior to the bid opening date. The bidder must also ensure that their response to question 7, and its subparts, on the Consultant's, Contractor's, and Vendor's Disclosure Form is provided in relation to the specific solicitation under consideration.

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REQUESTS FOR INFORMATION OR CLARIFICATION

Before bidding, bidders must examine all of the Contract documents, including the specifications, any drawings, and all instructions. If the bidder finds any inconsistency, ambiguity, omission or error in the specifications, drawings, instructions or any other Contract document, or if the bidder is in doubt as to the meaning of any term or condition of the Contract, the bidder must promptly so notify the **Office of Purchasing** in writing prior to the bid opening. The failure of the bidder to notify the **Office of Purchasing**, prior to the bid opening of any inconsistency, ambiguity, omission or error that the bidder actually found, or that should have been discovered by a reasonably prudent bidder, will preclude and negate acceptance of the bidder's claim.

If the **Office of Purchasing** receives a notification from a bidder of a differing site condition or an inconsistency, ambiguity, omission or error in the Contract documents, the **Office of Purchasing** will, as it deems necessary or desirable, issue a written interpretation or correction to the Contract documents as an amendment to the Contract documents. Any such amendment will be made available electronically to each person that received a copy of the Contract documents as reflected in the records of the **Office of Purchasing**, and any such amendment will also be available at the place where the Contract documents are available for inspection by prospective bidders.

Upon such mailing or delivery, such amendment shall become part of the Contract documents and shall be binding on all bidders, whether or not they have had actual notice of such addendum.

Please note that all bidder requests for information or clarification must be received by the Authority at least 72 hours prior to the bid opening. Any bidder requests for information or issues with the contract documents presented after that time may not be addressed by the Office of Purchasing.

Ordinance # 153-2018

Pursuant to Ordinance # 153-2018, a bidder that is awarded a contract under this bid is required to pay the County an administrative service charge in accordance with the following schedule:

<u>Value of Contract</u>	<u>Administrative Fee</u>
\$0-\$10,000	\$0
Over \$10,000-\$50,000	\$160
Over \$50,000-\$100,000	\$266
Over \$100,000	\$533

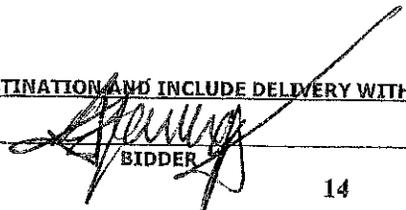
After an award, the successful bidder(s) will be notified by the Director of Shared Services, or their designee, when payment of the administrative charge is due. Please note, if you are a religious, charitable, nonprofit, or not-for-profit organization, please include this information in your bid for consideration by the Director of the Shared Services to waive the fee.

Ordinance # 72-2014

The bidder declares that they are a registered vendor with the County. All registered vendors must pay a Two Hundred Seventy-Five Dollar (\$275.00) per contract fee to register Blanket contracts on the County's procurement website, as required under Ordinance # 72-2014.

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INTENT

SCOPE: It is the INTENT of the County of Nassau to properly describe by these specifications, terms and conditions an adequate method of providing POOL REPAIR, MAINTENANCE and SERVICE for the agency or agencies named herein in order that they may enjoy uninterrupted service in consideration for payment of the price bid.

PURPOSE: The purpose of this bid is to establish a price structure on which items and/or services will be made under Blanket Orders.

PERIOD COVERED: Shall be for one (1) year from the effective date. The County of Nassau reserves the right to extend the Blanket Order up to an additional four (4) year(s), at up to one (1) year options. However, the termination of the Blanket Order may be further extended up to two (2) months beyond the stated termination date. The maximum period of any Blanket Order as a result of this bid with renewal options applied shall be five (5) year(s), and if the further extension is applied, five (5) years and two (2) months.

ALL EXTENSIONS ARE SUBJECT UPON THE MUTUAL CONSENT OF BOTH PARTIES.

AWARD: Award, if any, will be made to the lowest responsible bidder, who in the opinion of the Director of Purchasing, meets the specifications and qualifications stated herein. The Director of Purchasing reserves the right to make an award be items, groups, or classes of items or as a whole. Awards will be made in accordance with the terms and conditions attached hereto and made part hereof.

DELIVERY: Bidders are required to state guaranteed delivery date in terms of days after receipt of order in the space provided below and on page one. Bidders are cautioned to post realistic delivery dates. Guaranteed delivery dates will be strictly enforced. Must be made within 15 days A/R/O unless stated otherwise below:

Delivery to be made 12 days Days A/R/O.

Delivery shall be made **ONLY** upon receipt of a Purchase Order, or in the case of a Blanket Order, upon receipt of a Direct Purchase Order(s) from a using agency authorized to use the Blanket Order which will be issued to the successful bidder. Purchase Order and Direct Purchase Order shall indicate the destination address. Inside delivery is required on all deliveries.

Bidders agree that all orders shall be effective and binding upon the contractor when PLACED IN THE MAIL addressed to the Contractor at the address shown on the Blanket Order/Purchase Order PRIOR TO MIDNIGHT OF THE FINAL DAY OF CONTRACT.

PARTICIPATION BY POLITICAL SUBDIVISIONS: The successful vendor agrees that all political subdivisions of New York State and all other entities authorized by law to make such purchases may participate in any award under this bid. These Entities shall accept full responsibility for any payments due the successful bidder for their purchases hereunder.

INSPECTION: Bidders should be aware of Inspection and Delivery requirements as stipulated.

RETENTION OF BID: Vendor is required to make a copy of his completed bid document and applicable attachments. Any purchase orders issued against this bid will refer to the bid and attachments to designate items awarded.

METHOD OF BIDDING: Please submit unit price in the appropriate column.

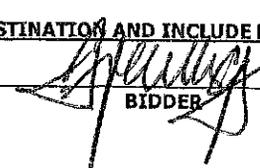
PRICE DISCREPANCY: In the event of a discrepancy between the unit price and the extension price, the unit price will govern.

PRICE PROTECTION: Bidders are required to state period of price protection (in terms of days) after the bid opening.

STATE PRICE PROTECTION PERIOD: 90 days DAYS AFTER BID OPENING

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**OFFICE OF PURCHASING
COUNTY OF NASSAU STATE OF NEW YORK**

**FORMAL SEALED BID PROPOSAL
93165-06151-101**

PAYMENT IN DETAIL: Billing shall be rendered in detail, listing parts and materials used, their prices and labor shown in hours and extended rates.

EXTENSION OF PRICE: It is anticipated that additional quantities of items specified herein may be required in the ensuing year. According, the County of Nassau requests that the prices bid be protected and be available to the County of Nassau for one (1) year from the date of the award. Economic conditions may not permit the price protection for an entire year. Bidders are requested to state the period for which bid prices will be applicable to potential additional orders.
90 days.

TAX PROVISION: Purchases made by the County of Nassau are not subject to State, Local Sales Taxes or Federal Excise Taxes. Federal Exemption #A-109538 State Exemption #EX 7213062C. The County of Nassau is not subject to any Existing "Fair Trade Agreements" and bidders should be governed accordingly.

NEW YORK STATE PRICES: Bidders must represent and warrant that if they are under contract with New York State for items specified herein, that the price quoted to the County is not higher than the price per unit quoted to New York State for like quantities.

SPECIFICATIONS: Submit complete specifications and illustrations of products offered with the bid. Acceptance of a bid and designation of a manufacturer's catalog description, brand name or number in any Purchase or Blanket Order resulting there-from shall not be construed as qualification of the specifications of this bid or relief there-from, except as specifically stated in the Purchase or Blanket Order.

PRODUCT IDENTIFICATION: If a product(s) is identified by a BRAND NAME, a substitute of equal quality, construction, finish, composition, size, workmanship and performance characteristics may be acceptable. In submitting a bid, each bidder warrants that the substitute product being offered is an equal. Bid sheets shall be so noted of the manufacturer's name and brand of the product offered as an equal. If as a result of an award, a delivery is made of a brand or product represented as an equal which is subsequently deemed to be unacceptable, the Contractor shall be required, at his expense, to pick up the rejected item and replace it with brand(s) listed in this bid, or an acceptable equal which will have the approval of the Director.

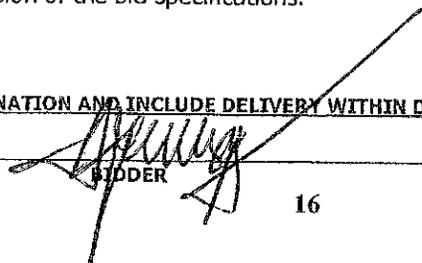
PROTECTION FROM CLAIM AGAINST "OR EQUAL": In the event of any claim by any unsuccessful bidder concerning or relating to the issue of "equal or better" or "or equal", the successful bidder agrees, at his own cost and expense, to defend such claims or claims and agrees to hold the County of Nassau free and harmless from any and all claims for loss or damage arising out of this transaction for any reason whatsoever.

ALTERNATIVE ITEM: In submitting a bid on a commodity other than as specified, bidder shall furnish complete data and identification with respect to the alternate commodity he proposes to furnish. Consideration will be given to proposals submitted on alternate commodities to the extent that such action is deemed to serve the best interests of the County. If a bidder does not indicate that the commodity he proposes to furnish is other than as specified, it will be construed to mean that the bidder proposes to furnish the exact commodity as described. Consideration of the alternate shall be at the sole discretion of the Director. MORE THAN ONE (1) BID ON EACH ITEM WILL NOT BE CONSIDERED, UNLESS OTHERWISE SPECIFIED BY THE COUNTY.

EQUIVALENT BIDS: Bidders may offer a product of the same capability, but of different manufacture and model than that specified in this bid. The use of the name of a manufacturer, brand, make or catalog designation is specifying items described herein does not restrict or preclude bidders from offering equivalent or better product bids. Such a designation is used only to indicate the character, quality and minimum performance desired. Equal or better product bids are permissible. A bidder submitting an equal or better product shall, at his own cost and expense be responsible for submitting proof and/or a demonstration of equivalence, compatibility and performance. However, acceptance of an equivalent product shall be strictly at the discretion of the Director. Any omission of the term "or equal" in any specific bid item listing should be disregarded by the bidder. All bidders shall have an absolute right to submit "equivalent" bids notwithstanding any other provision of the bid specifications.

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RECORD RETENTION: Contractor shall retain complete and accurate records and documents related to this Agreement for six (6) years following the later of termination or final payment. Such records shall at all times be available for audit and inspection by the County.

BILLING: Shall be made on County claim forms or Certified Invoices to the individual using County Agency upon completion of deliveries made against applicable Purchase Order(s) or Direct Purchase Order(s).

NO PARTIAL PAYMENTS WILL BE PAID.

*****VENDOR CLAIM CERTIFICATION*****

IF A CLAIM VOUCHER IS NOT BEING SUBMITTED, THE FOLLOWING CERTIFICATION **MUST** APPEAR ON THE INVOICE:

I HEREBY CERTIFY THAT ALL ITEMS OR SERVICES WERE DELIVERED OR RENDERED AS SET FORTH IN THIS CLAIM; THAT THE PRICES CHARGED ARE IN ACCORDANCE WITH REFERENCED PURCHASE ORDER, DIRECT PURCHASE ORDER OR CONTRACT, THAT THE CLAIM IS JUST, TRUE AND CORRECT; THAT THE BALANCE STATED HEREIN IS ACTUALLY DUE AND OWING AND HAS NOT BEEN PREVIOUSLY CLAIMED; THAT NO TAXES FROM WHICH THE COUNTY IS EXEMPT ARE INCLUDED; AND THAT ANY AMOUNTS CLAIMED FOR DISBURSEMENTS HAVE ACTUALLY AND NECESSARILY BEEN MADE.

_____	_____
CLAIMANT NAME	DATE
_____	_____
BY (SIGNATURE)	TITLE

CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

PAYMENT: A certified invoice, or a County claim form to which the invoice is attached, shall be submitted in arrears, directly to the using agency, supported by vouchers signed by agency personnel attesting to satisfactory completion of the required services as specified.

*****VENDOR CLAIM CERTIFICATION*****

If a claim voucher is not being submitted, the following certification MUST appear on the invoice:

I hereby certify that all items or services were delivered or rendered as set forth in this claim; that the prices charged are in accordance with referenced purchase order, delivery order or contract, that the claim is just, true and correct; that the balance stated herein is actually due and owing and has not been previously claimed; that no taxes from which the County is exempt are included; and that any amounts claimed for disbursements have actually and necessarily been made.

_____	_____
Claimant Name	Date
_____	_____
By Signature	Title

CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID.

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

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BIDDER	PRESIDENT
	TITLE

WARRANTY: The successful bidder warrants the equipment furnished and all associated equipment against any defects in design, workmanship and materials against failure to operate satisfactorily for one (1) year from the date of acceptance by the using department and/or agency of the equipment, other than defects or failure shown by the Contractor that have arisen solely from accident or abuse occurring after delivery to the Nassau County agency. Contractor agrees to replace any parts, which in the opinion of the user, shall fail from the above reasons.

IMPORTANT NOTES: If a company policy or trade practice requires a different warranty period, the bidder may so state without fear of disqualifications. However, the bidder is cautioned that the length of warranty may, in some cases, be a deciding factor in making an award.

Equipment furnished hereunder shall meet the standards set forth in the Occupational Safety and Health Act of 1970.

BIDDER SHALL STATE WARRANTY PERIOD: 1 yr

NOTE: All warranties take effect only upon written acceptance of equipment by using agency and shall run full term from that point.

BIDDER SHALL INDICATE COST AND TERM OF ANY EXTENDED WARRANTY OPTION, IF AVAILABLE:
N/A

COMPREHENSIVE AND GENERAL LIABILITY AND HOLD HARMLESS: The Contractor agrees to indemnify and hold harmless the County of Nassau, its agents, officers and employees against any and all claims, causes of action, costs, and liabilities, in law or in equity, of every kind and nature whatsoever, directly or proximately resulting from any act of omission or commission of Contractor, its officers, agents, or employees. Contractor shall, at Nassau County's demand, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought or instituted against Nassau County, its agents, officers, or employees on any such claim, demand or cause of action, and Contractor shall pay and satisfy any judgment or decree which may be rendered against Nassau County, its agents, officers, or employees in any such suit, action or legal proceeding.

The Contractor shall obtain from an Insurance company authorized to do business in the State of New York, and keep in force during the term of any agreement, a policy of Comprehensive and General Liability Insurance naming the Contractor as an Insured, and naming the County of Nassau as an additional insured, including, but not limited, to the torts and negligence of Contractor's personnel, with a combined single minimum limit of three million dollars (\$3,000,000.00) for bodily injury and property damage for any one occurrence at the Contractor's sole cost and expense. Evidence of insurance may be required prior to Notice of Award or issuance of a Purchase Order.

The Contractor shall comply with all provisions of the Workers' Compensation Law and shall furnish a certificate showing evidence of current coverage.

Bidder shall list below the Insurance Company(s) holding the following documents:
A) Certificate of Insurance name the County of Nassau as co-insured: ASSURED PARTNERS Northeast LLC
Or
B) Certificate of Insurance with indemnification agreement (hold harmless clause): _____

NASSAU COUNTY MUST BE NAMED AS AN ADDITIONAL INSURED

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE [Signature]
BIDDER

PRESDENT
TITLE

GENERAL CONDITIONS:

All repairs to be made in accordance with the Occupational Safety and Health Administration safety requirements.

Contractor will furnish all labor, materials, transportation, tools, instrumentation, parts and accessories necessary to repair and restore the equipment to optimum operating condition.

All Contractor personnel assigned to any requirement of a contract established must be fully qualified and cognizant of the required and applicable electrical codes and safety requirements and must adhere to them.

All parts supplied must match and inter-member without modification to the designated equipment and must be in accordance with the specifications of the manufacturer of the part to be replaced.

Except as otherwise specified, all contract requirements will be performed at the site as required.

Any requirement to remove any part of the equipment or system(s), to the Contractor's shop, must be approved by an authorized agency representative. Nassau County shall supply all utilities which are available on location insofar as compatibility requirements permit.

All requirements performed by the Contractor will be subject to inspection and approval by an authorized designated representative of Nassau County.

Employees of the Contractor, while on service call, shall carry identification badges or cards and shall be instructed to submit same to scrutiny upon request of security or supervisory personnel of Nassau County.

ADDITIONAL BIDS: The County reserves the right, for any un-contemplated additional requirements of extraordinary quantities of particular items to call for new bids, therefore, whenever in the opinion of the Director of the Office of Purchase it is in the best interests of the County of Nassau to do so.

PRICE LISTS AND DISCOUNTS: Bidders may attach price lists and catalogs indicating discounts available to the County for all other products not listed herein. New items may be added to the price list at the then current price at the same discount schedule during the life of the contract.

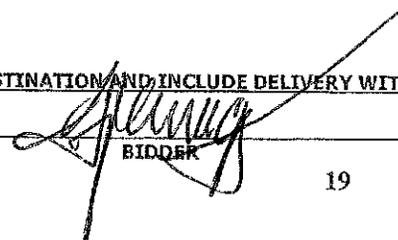
NON-ASSIGNMENT: In accordance with Section 138 of the State Finance Law, the contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of Nassau County and any attempts to assign the contract without the County's written consent are null and void.

NON-PERFORMANCE: The Contractor agrees that in the event any of the services provided for under the terms of this contract should in any way be omitted or unsatisfactorily performed by the Contractor and/or his employees, the county shall so notify the contractor verbally and follow with a written notification of the deficient services for immediate correction. In the event the Contractor does not correct the deficient services after receipt of written notification, the Nassau County Department concerned will deduct a percentage based on the work not performed or performed unsatisfactorily from the Contractor's claim for the period covered. If the Contractor continues to omit or unsatisfactorily perform the required services, the County will arrange for the work to be done by another contractor and the cost of such work shall be deducted from any monies due or that may become due to the Contractor.

MINIMUM ORDERS: There will be many County Agencies ordering from Blanket Orders. Therefore, **NO MINIMUMS SHALL BE APPLIED TO THIS BID.**

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BIDDER

PRESIDENT

TITLE

DISCLAIMER

Any Blanket Purchase Order issued as a result of this bid will establish terms and conditions pursuant to which certain materials and/or services are to be supplied or performed, from time to time, for a specified period upon issuance by the County of Delivery Orders. The Blanket Purchase Order is non-exclusive, and the County is not bound to purchase, and no materials are to be delivered or services performed without a Delivery Order. The County shall be under no obligation whatsoever to issue such Delivery Orders. The Blanket Purchase shall not apply in any way to items of material or service deemed by the County in its sole discretion to be extraordinary or involve any special conditions, quantities, circumstances or complexities.

ACCESS CLAUSE: Contractor, including its satellites, offices and/or subcontractors, if any, shall maintain full and complete books and records of accounts pertaining to this agreement, in accordance with accepted accounting practices and such other records as may be reasonably prescribed by the County of Nassau. Such books and records shall at all times be available for audit and inspection by the completion of all the services described in this agreement. Contractor further agrees that if any provision of Section 952 of the Omnibus Reconciliation Act of 1980 (PL-96-499) is found by a body of competent jurisdiction to be applicable to this contract, the Contractor agrees that it will make available upon written request by the Secretary of Health and Human Services, or the Comptroller General of the General Accounting Office, or any of their duly authorized representatives, a copy of this contract and any executed amendments thereto documents which relate to the calculation of the charges stated in the contract and copies of service reports documenting services performed. Such records will be available in accordance with the above for the period of six (6) years after the furnishing of any of the services described in this contract.

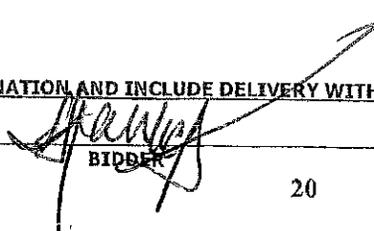
TERMINATION PREROGATIVE: The Director reserves the right to cancel the Blanket Order by giving not less than thirty (30) days written notice that, on or after a date therein specified, the contract shall be deemed terminated and cancelled.

VENDOR RESPONSIBILITY CRITERIA: The Director of Purchasing reserves the right before making an award to make investigations as to whether or not the qualifications, services, facilities or items offered by the bidder meet the requirements set forth herein and are ample and sufficient to ensure the proper performance in the event of an award. The bidder must be prepared, if requested by the Director of Purchasing, to present evidence of experience, ability, financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which the vendor is bidding. Upon request of the Director, the successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bid are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing, or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the forgoing shall mean or imply that it is obligatory upon the Director to make any examinations before an award; and it is further understood that, if such examination is made, it in no way relieves the bidder from fulfilling all requirements and conditions of the bid.

IMPORTANT NOTE: The Director reserves the right to accept or reject any and all bids, or separable portions of offers, and waive technicalities, irregularities, and omissions if the Director determines the best interests of the County of Nassau will be served. The Director, in his sole discretion, may accept or reject illegible, incomplete or vague bids and his decision shall be final. A conditional or revocable bid which clearly communicates the terms or limitations of acceptance may be considered and contract award may be made in compliance with the bidder's conditional or revocable terms in the offer. Prior to award, the Director reserves the right to seek clarifications, request bid revisions, or to request any information deemed necessary for proper evaluation of bids from all bidders deemed to be eligible for contract award. Failure to provide requested information may result in rejection of the bid.

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NOTICE

READ THIS PAGE OF THE BID CAREFULLY

ALL BIDDERS MUST COMPLY WITH THIS REQUIREMENT OR YOUR BID WILL BE AUTOMATICALLY REJECTED

RIGHT TO KNOW LAW AND "OSHA"

PURSUANT TO ARTICLE 28, SECTION 876 OF THE LABOR LAW OF THE STATE OF NEW YORK, THE COUNTY OF NASSAU HAS MANDATED EMPLOYER'S RESPONSIBILITY TO PROVIDE NOTICE TO EMPLOYEES REGARDING TOXIC SUBSTANCES. TO SATISFY THIS MANDATED REQUIREMENT, WE MUST ASK FOR YOUR COOPERATION. SOME OF THE MATERIAL ON THIS BID MAY CONTAIN TOXIC SUBSTANCES. THEREFORE, YOU MUST SUBMIT, WITH YOUR BID, "MATERIAL SAFETY DATA SHEETS" FOR ALL MATERIALS TO BE SUPPLIED PURSUANT TO THIS BID.

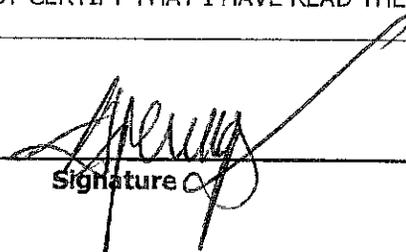
FAILURE TO PROVIDE THIS INFORMATION WITH THE BID WILL RESULT IN
AUTOMATIC REJECTION OF THE BID.

IF YOUR PRODUCT **DOES NOT** CONTAIN TOXIC SUBSTANCES, PLEASE SIGN THE FOLLOWING CERTIFICATION:

CERTIFICATION:

I HEREBY CERTIFY THAT I HAVE READ THE NASSAU COUNTY NOTICE, AND FURTHER CERTIFY THAT ITEMS NUMBERED _____ DO NOT CONTAIN ANY TOXIC SUBSTANCES.

X

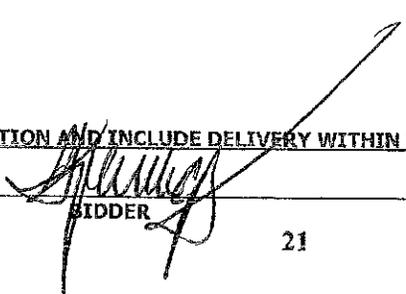

Signature

PRESIDENT
Title

6/11/2021
Date

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NON-COLLUSIVE BIDDING CERTIFICATION REQUIRED BY SECTION 139-D OF THE STATE FINANCE LAW

BY SUBMISSION OF THIS BID, BIDDER AND EACH PERSON SIGNING ON BEHALF OF BIDDER CERTIFIES, AND IN THE CASE OF A JOINT BID, EACH PARTY THERETO CERTIFIES AS TO ITS OWN ORGANIZATION, UNDER PENALTY OR PERJURY, THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF:

[1] The prices of this bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purposes of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor;

[2] Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to opening, directly or indirectly, to any other Bidder or to any competitor; and

[3] No attempt has been made or will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

A BID SHALL NOT BE CONSIDERED FOR AWARD NOR SHALL ANY AWARD BE MADE WITH [1], [2], [3] ABOVE HAVE NOT BEEN COMPLETE WITH; PROVIDED HOWEVER, THAT IF IN ANY CASE THE BIDDER(S) CANNOT MAKE THE FOREGOING CERTIFICATION, THE BIDDER SHALL SO STATE AND SHALL FURNISH BELOW A SIGNED STATEMENT WHICH SETS FORTH IN DETAIL THE REASONS THEREFORE:

[AFFIX ADDENDUM TO THIS PAGE IF SPACE IS REQUIRED FOR STATEMENT]

Subscribed to under penalty of perjury under the laws of the State of New York,

this 11TH day of JUNE, 2021, as the act and deed of said Corporation or Partnership.

Identifying Data:

Potential Contractor: EAGLE CONTROL CORPORATION

Address:

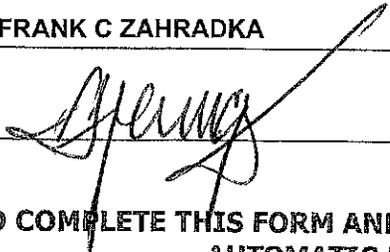
Street: 23 OLD DOCK ROAD

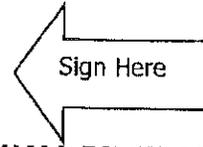
City, Town, etc: YAPHANK NY 11980

Telephone: 631-924-1315 Title: _____

If applicable, responsible Corporate Officer

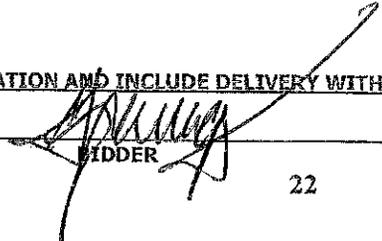
Name FRANK C ZAHRADKA Title PRESIDENT

Signature: 



FAILURE TO COMPLETE THIS FORM AND SIGN IN APPROPRIATE PLACE SHALL RESULT IN AUTOMATIC REJECTION OF THE BID.

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MANUFACTURER'S CERTIFICATE

THIS IS TO CERTIFY:

That we manufacture the commodities specified in the attached bid schedule:

That the address of the manufacturing plant is:

N/A

_____ Manufacturer

_____ Signature

Title

FURTHERMORE:

That we authorize

(Name and address of firm or individual)

As our distributor to furnish our products to the County of Nassau as provided in the attached schedules, and agree to supply said distributor such quantities of our products as may be required by the County of Nassau.

_____ Manufacturer

_____ Signature

Title

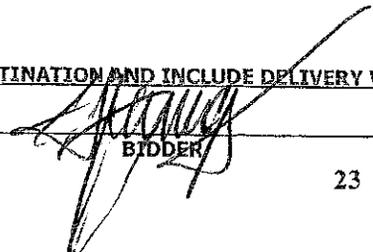
_____ Date

MUST BE SIGNED BY AN OFFICER OF THE COMPANY. SALES AGENT OR MANAGER'S SIGNATURE WILL NOT BE ACCEPTED UNLESS LETTER OF AUTHORIZATION FROM THE MANUFACTURER IS ATTACHED.

NOTE: When bidder is other than the manufacturer, the complete certificate must be executed by the manufacturer.

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GENERAL INSTRUCTIONS: All bidders must adhere to the following conditions:

As per New York State Municipal Law 103, no exception can be taken to any material term and/or condition of this bid with the exception of any warranties as presented in this bid for the specific commodity or service required.

Any language in any proposal or document submitted by a bidder as part of their bid that is accepted by the County of Nassau cannot be in conflict with any material term and/or condition relevant to this bid with the exception of any warranties or the specifications of the commodity of service required by this bid. If there is any conflict between the bidder's terms and conditions and the terms and conditions of this bid, the terms and conditions of this bid shall govern.

Bidders must insert **FEDERAL IDENTIFICATION NUMBER** in the space provided on page one of this bid.

Late Formal Sealed Bids will NOT be accepted. Bidders are urged to mail bids early to assure delivery on time. Bids must be received by 11:00 A.M. on the bid opening date.

Prices **MUST** be inserted with **TYPEWRITER OR INK**. Entries with **WHITE OUT, CROSS-OUTS OR LIFT-OFF TAPE** **MUST BE INITIALED** or that entry will be disqualified.

Bidders should submit bid with unit price in the appropriate column on bid pages or forms attached hereto. In the event of a discrepancy between the unit price and the extension, the unit price shall govern. Bidders shall submit one (1) original bid document and all applicable attachments. Any order issued against this bid will refer to the bid and attachments to designate items awarded. Bidders agree that all, Direct Purchase Orders and/or Purchase Orders shall be effective and binding upon the Contractor when placed in the mail, addressed to the Contractor at the address shown on the Direct Purchase Order or the Purchase Order.

Bidders **MUST** state manufacturer's name and catalog number of each item bid.

ABSOLUTELY NO MINIMUM ORDERS shall be applied to this bid.

Purchases made by Nassau County are not subject to State or Local Sales Tax or Federal Excise Taxes.

Federal Exemption Number: A-109538 **State Exemption Number: EX 7213062C**

Inside (receiving dock) delivery is required on all orders.

The rights and obligations of the parties under this agreement shall be governed by the laws of the State of New York.

Bids are hereby solicited for the commodities and/or services specified herein which are to be delivered and/or performed at the locations indicated, and in strict accordance with all specifications, terms and conditions attached hereto and made part hereof.

Bid document must be signed by proprietor, partner or corporate officer.

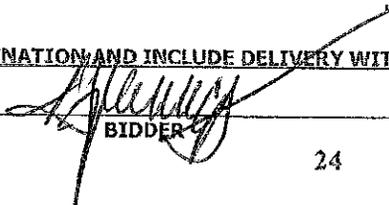
The clauses contained in these bid forms set forth the wishes of the County of Nassau in regard to the purchase and/or services required. However, the Director reserves the right to waive irregularities, omissions, or other technical defects if, in its judgment, the best interest of the County of Nassau will be served accordingly.

Bidders may take exception to paragraphs of the bid under a separate cover letter to be attached to this bid, indicating the specific bid page, paragraph and the exception(s). In any event, the decision of the Director will be final.

Qualification statement **MUST BE COMPLETED** and submitted with bid. See page 4 for further details

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NY STATE LABOR LAW

If any portion of work being Bid is subject to the prevailing wage rate provisions of the Labor Law, the following shall apply:

a. "Public Works" and "Building Services" - Definitions

i. Public Works Labor Law Article 8 applies to county contracts for public improvements in which laborers, workers or mechanics are employed on a "public works" project (distinguished from public "procurement" or "service" contracts).

ii. Building Services Labor Law Article 9 applies to Contracts for building service work with the county, that: (i) involve the care or maintenance of an existing building, or (ii) involve the transportation of office furniture or equipment to or from such building, or (iii) involve the transportation and delivery of fossil fuel to such building, and (iv) the principal purpose of which is to furnish services through use of building service employees.

b. Prevailing Wage Rate Applicable to Bid Submissions *A copy of the applicable prevailing wage rates to be paid or provided are annexed* to the Bid Documents. Bidders must submit Bids which are based upon the prevailing hourly wages, and supplements in cash or equivalent benefits (i.e., fringe benefits and any cash or non-cash compensation which are not wages, as defined by law) that equal or exceed the applicable prevailing wage rate(s) for the location where the work is to be performed. Bidders may not submit Bids based upon hourly wage rates and supplements below the applicable prevailing wage rates as established by the New York State Department of Labor. Bids that fail to comply with this requirement will be disqualified. Information indicating that prevailing wages are not being paid on a public works project will be forwarded to the New York State Department of Labor for investigation. Willful violations of the prevailing wage provisions of the Labor Law may result in debarment from the bidding and award of public contracts.

c. Wage Rate Payments / Changes During Contract Term the wages to be paid under any resulting Contract shall not be less than the prevailing rate of wages and supplements as set forth by law. It is required that the Contractor keep informed of all changes in the Prevailing Wage Rates during the Contract term that apply to the classes of individuals supplied by the Contractor on any projects resulting from this Contract, subject to the provisions of the Labor Law. Contractor is solely liable for and must pay such required prevailing wage adjustments during the Contract term as required by law.

d. Public Posting & Certified Payroll Records In compliance with Article 8, Section 220 of the New York State Labor Law:

i. Posting the Contractor must publicly post on the work site, in a prominent and accessible place, a legible schedule of the prevailing wage rates and supplements.

ii. Payroll Records Contractors and Subcontractors must keep original payrolls or transcripts subscribed and affirmed as true under the penalties of perjury as required by law. For public works contracts over \$25,000 where the Contractor maintains no regular place of business in New York State, such records must be kept at the work site. For building services contracts, such records must be kept at the work site while work is being performed.

iii. Submission of Certified Payroll Transcripts for Public Works Contracts Only Contractors and Subcontractors on public works projects must submit monthly payroll transcripts to the project manager for a public works project.

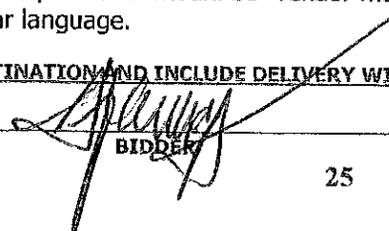
iv. Records Retention Contractors and Subcontractors must preserve copies of such certified transcripts for a period of three years from the date of completion of work on the awarded contract.

If this contract is for Building Service Work as defined in Article 9 of the Labor Law, State law prohibits other political subdivisions and districts within the County from making purchases pursuant to this agreement.

The County Living Wage Law, Title 57, Section 3(a)(i), states: employers who provide building services shall pay their employees no less than the living wage, as required by this section, or the prevailing wage, whichever is greater. In future bidding procedures, the requirement should be "vendor must pay the prevailing wage, or the County Living Wage, whichever is greater", or similar language.

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Living Wage

Section 1. Authority and Usage

- a. These Rules are promulgated pursuant to Local Law 1-2006, section 7(b) which authorizes the County Executive to promulgate rules to implement the provisions of the Nassau County Living Wage Law.
- b. Wherever the term "Law" or "Living Wage Law" is used in this document, it shall mean Local Law 1-2006, otherwise known as the Nassau County Living Wage Law. Whenever the terms "Rule" or "Rules" are used in this document, it shall mean these Rules of the County Executive regarding the Nassau County Living Wage Law.

Section 2. Clarification of Terms

- a. Awarded. "Awarded" shall mean that time at which a contractor is selected by the County, or any department of the County, to receive county financial assistance, even if that time is before execution of a county financial assistance agreement by all parties or approval of such agreement by the County Legislature.

See Living Wage Law, § 5(a) "Certification of Compliance" and § 10 "Other Provisions"

- b. County Service Contract. "County Service Contract" shall mean any contract let to a contractor by the county for the furnishing of services to or for the county and that involves an expenditure equal to or greater than twenty-five thousand dollars. A contract for the sale of goods to the County, or a contract for the sale of goods where incidental services are being provided to the County, are not considered County Service Contracts. This definition shall not include contracts awarded pursuant to the county's emergency procurement procedure as set forth in section twenty-two hundred six of the county charter, inter-governmental agreements, agreements with state or local public authorities or agreements with local development corporations incorporated pursuant to section 1411 of the not-for-profit corporations law.

- c. County Financial Assistance. "County Financial Assistance" shall mean any grant, loan, tax incentive or abatement, bond financing, subsidy or other form of assistance of more than fifty thousand dollars given by or through the authority or approval of the county to an entity having at least ten employees. County financial assistance shall not include industrial development bonds, community development block grant loans, and enterprise-zone-related incentives.

- d. Employee and Employer.

i. Under Section 1 of the Living Wage Law, an "Employee" for the purposes of a county service contract is an employee of a county contractor "pursuant to one or more service contracts and who expends any of his or her time thereon." Thus, an Employee may be:

- A. Any person hired by a County contractor specifically to work on the County Service Contract at issue
- B. Any person employed by the County Contractor who works on the specific services contemplated by the County Service Contract

ii. An Employee is not:

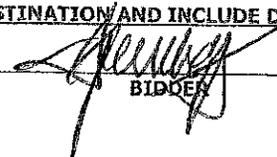
- A. An employee who provides services which are only incidental to the services specified in the County Service Contract.

An employee who does not provide any services contemplated under the County Service Contract in Question

iii. For the purposes of the Living Wage Law, Nassau Community College is not an employer as defined in the Law. However, service contractors, financial assistance recipients and lessees of the College are employers as defined in the law and are subject to the provisions of the Living Wage Law as they are applicable.

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See Living Wage Law, § 1 "Employee," "Employer"

e. Enter Into. "Enter into" shall mean that time at which both parties have signed the contract in question.

See Living Wage Law, § 1 "County Service Contract" and § 10(a) "Other Provisions"

3. Amendments, Extensions and Renewals

a. Renewals and Extensions. Where an existing County Financial Assistance Agreement, County Service Contract, or County Lease is renewed or extended after the effective date of the Law, such agreement is a new County Financial Assistance Agreement, County Service Contract or County Lease, as the case may be, and is subject to the applicable provisions of the Law.

b. Determination of Applicability.

i. County Service Contracts.

A. Any renewal of a County Service Contract is subject to the Living Wage Law if the total expenditure by the County under the renewal is \$25,000 or greater.

B. If a County Service Contract is extended or otherwise amended, such extension or amendment will be subject to the provisions of the Law if such amendment increases the total expenditure under the original agreement to an amount \$25,000 or over, or if such amendment itself involves an expenditure of \$25,000 or over. In no event shall the Law apply in a situation where an amendment involves an expenditure of less than \$25,000 and the original agreement already involves an expenditure of \$25,000 or over.

ii. County Financial Assistance Agreements.

A. Any renewal of a County Financial Assistance Agreement is subject to the Living Wage Law if the total expenditure by the County under the renewal is greater than \$50,000.

B. If a Financial Assistance Agreement is extended or otherwise amended, such extension or amendment will be subject to the provisions of the Law if such amendment increases the total expenditure under the original agreement to an amount over \$50,000, or if such amendment itself involves an expenditure over \$50,000. In no event shall the Law apply in a situation where an amendment involves an expenditure of \$50,000 or less and the original agreement already involves an expenditure over \$50,000.

iii. County Leases. Any renewal, extension or modification of a County Lease is subject to the provisions of the Living Wage Law.

See Living Wage Law, §10(a) "Other Provisions"

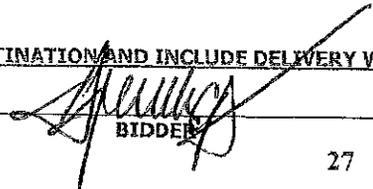
4. Waiver of the Law

a. Application of the Provision

i. Any County Contractor may apply for a waiver of the provisions of the Law. In order to qualify as a County Contractor, the applying organization must have a County Service Contract with the County of Nassau. A County Service Contract is a contract which contemplates providing a service to the County (not goods or any service performed only to deliver goods) for which the County is paying \$25,000 or more. Both non-profit and for-profit County Contractors may apply for a waiver.

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ii. At this time, the Living Wage Law does not allow a County Lessee or an entity receiving County Financial Assistance to apply for a waiver of the Law's provisions.

b. Request for a Waiver The following procedures have been established by the County Executive for requesting a waiver of the provisions of the Living Wage Law:

i. Request for a waiver must be made to the Nassau County Office of Compliance. Since a waiver request must be made by a County Contractor who already has a contract with the County to provide services, a request for a waiver may only be made after the contract in question is entered into with the County.

ii. A request for a waiver must be made on the approved form designated "Request for Waiver of the Provisions of the Nassau County Living Wage Law." This form is attached to these rules. Additional forms may be requested by contacting the agency with which the requesting organization has a contract.

iii. Except for those requesting organizations with County Service Contracts listed in section 4(b)(iv)(E)(3) below, those requesting organizations which plan to request a waiver once a County Service Contract has been entered into must include, in their bid or proposal for the specific County Service Contract, a budget breakdown stating the amount of the budget allocated to wages (*assuming the Living Wage Law applies*), and the amount of the budget allocated to services and other contract expenses.

A. In any budget breakdown submitted, the requesting organization must include only those employees who are included within the definition of "Employee" described above.

B. Those County contractors who have been awarded a contract through Executive Order No. 1 of 1993, a state or federal grant, General Municipal Law section 104, or any other state or federal rule or regulation must submit the above budget breakdown to the contracting agency before such contract is entered into with the County in order to be eligible for a waiver.

iv. A waiver request must contain the following information:

A. The name of the organization

B. The address of the organization

C. A brief description of the contract which the waiver pertains to.

D. The name and email address of the Chief Executive Officer of the requesting organization

E. The criteria (hereinafter, the "Criteria") for qualifying for a waiver under the provisions of the Law. Currently, a requesting organization must meet either Criteria 1, 2 or 3 below, and, if Criteria 1, 2 or 4 are cited, must meet Criterion 5 below:

1. The highest paid officer or employee of the requesting organization earns a salary which, when calculated on an hourly basis, is less than six times the lowest wage or salary paid by the requesting organization.

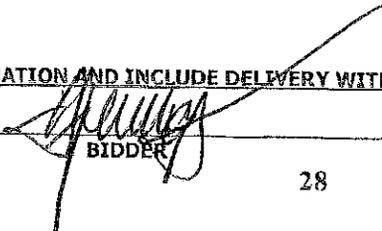
OR

2. Compliance with the requirements of the Living Wage Law will directly increase the requesting organization's expected total annual budget in an amount greater than ten percent of the prior fiscal year's budget.

OR

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3. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would exceed the amount, per hour or per diem (as the case may be), reimbursed to the County by any State or Federal Source:

Services under the Expanded In-Home Services for the Elderly Program (EISEP)
Foster care services under the New York Social Services Law.
Residential domestic violence services under the New York Social Services Law.
Residential care, educational and vocational training, physical and mental health services, and employment counseling services to residents of the Juvenile Detention Center under the New York Executive Law.

OR

4. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would increase the County Service Contract's budget by greater than ten percent over the budget for the requesting organization's County Service Contract for the previous contracting year:

- i. Non-residential domestic violence services under the New York Social Services Law.
 - ii. Services under the Home Energy Assistance Program (HEAP)
- Preventive services for children pursuant to the New York Social Services Law
Non-Secure detention services pursuant to the New York Executive Law.

AND (if Criteria 1, 2 or 4)

5. When the requesting organization placed a bid or submitted a proposal for the county service contract at issue, it must have submitted a budget which included a breakdown of the wages paid to employees of the requesting organization who would be covered under the Living Wage Law.

F. A statement that, if a waiver is granted, the requesting organization will decrease its budgeted wage allocation to that amount the requesting organization would have paid its employees had the requirements of Living Wage Law not been applied. The amount to be paid by the County to the requesting organization will be reduced accordingly by contract amendment.

G. The notarized signature of the requesting organization's Chief Executive Officer.

v. A request must be accompanied by documentation supporting the Criteria claimed by the requesting organization.

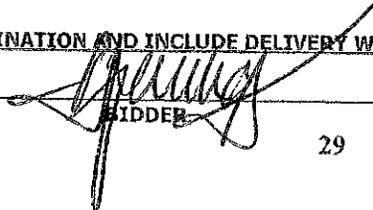
A. If Criteria (1) is cited in the request, the requestor must include a statement, certified by the chief financial officer of the requesting organization as true and accurate, of the wages paid, on an hourly basis, of the highest and lowest paid individuals employed by the requesting organization.

B. If Criteria (2) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the last fiscal year along with a copy of the organization's expected budget taking into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

C. If Criteria (4) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the County Service Contract for the prior agreement year along with the requesting organization's budget for the County Service Contract for the current agreement year which takes into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

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vi. The request form and all documentation must be sent to the following address:

County of Nassau Office of Compliance
Attention: Living Wage Waiver Request Office
One West Street – 4th Floor
Mineola, New York 11501

c. Waiver and Procurement

- i. As a waiver may only be requested once a County Service Contract has been entered into, no waiver application may be submitted by any organization submitting a bid or proposal to the County for a County Service Contract.
- ii. The fact that a waiver may be granted to an organization submitting a bid or proposal to the County for a County Service Contract will not be a consideration in evaluating such bid or proposal.

d. Review Procedures

- i. Review of a request for a waiver must be made by the Office of Compliance.
- ii. Approval of a request is dependent on the requestor satisfying either criteria (1), (2) or (3) in section 4(b)(iv)(E) above and, if citing criteria (1), (2) or (4), criterion (5) in section 4(b)(iv)(E) above. Applications not satisfying these criteria, or incomplete applications, will not be approved. However, complete applications that do meet these criteria shall be approved by the Office of Compliance.
- iii. The Office of Compliance shall inform the requestor of his or her decision to grant or deny a request in writing within thirty days of receipt of the request. A copy of the grant or denial shall be transmitted to the County Comptroller for the purposes of monitoring compliance with the Living Wage Law.
- iv. During such thirty-day period, the requestor must continue to abide by the provisions of the Living Wage Law. Failure to do so may result in action by the Office of the Nassau County Comptroller to enforce the provisions of the Law.

e. Post-Award Review

i. After the County grants a waiver, if at any time during the term of the County Service Contract the requesting organization alters its budget or wages such that the organization no longer qualifies for a waiver of the Living Wage Law, the requesting organization must contact the County department with which it contracts and inform such department of such alteration.

ii. If a County department is contacted in reference to such a change, the department must either:

Amend the County Service Contract in question to restore any funding subtracted from the contract as a result of a waiver of the Living Wage Law and receive from the Contractor a completed Certificate of Compliance; or

Terminate such Contract according to its terms.

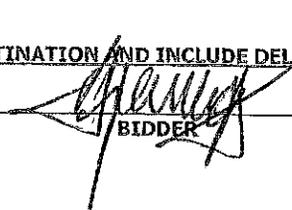
See Living Wage Law, § 9 "Waiver"

5. Inter-Governmental Agreements

a. The Living Wage Law shall not apply to those County Service Contracts which are entered into with any municipal corporation located within the County, any school district located within the County, and any special district located within the County.

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b. County Financial Assistance Agreements and County Leases. The Living Wage Law shall not apply to a County Financial Assistance Agreement or a County Lease in the event that application of the law would conflict with the application of a federal, state or local law, rule, regulation or ordinance. For the purposes of this Rule, the Living Wage Law would not apply to a County Financial Assistance Agreement or County Lease where funding for the Agreement or Lease is derived from a Federal or state grant where the distribution of such grant funds to certain subrecipients is mandatory and non-discretionary.

See Living Wage Law, § 1 "County Service Contract," "Inter-governmental Agreement;" § 3 "Minimum Compensation;" §10 "Other Provisions"

6. Certification of Compliance

a. An updated certification of compliance with the provisions of the Living Wage Law shall be submitted to the County on or before the first day of each agreement year during the term of any County Service Contract.

b. For the purposes of updating a certification of compliance, a "material change" as used in the Law shall be limited to the following:

i. Any determination by the County Comptroller that the contractor has violated any provision of the Law.

ii. Any instance during the preceding year in which the contractor has been found by a court or governmental agency to have violated federal state or local laws regulating payment of wages or benefits, labor relations or occupational safety and health, or where any governmental body has initiated a judicial action, administrative proceeding or investigation of the contractor in regard to any of the above laws.

See Living Wage Law, § 5 "Certification of Compliance"

7. Nassau County Employees

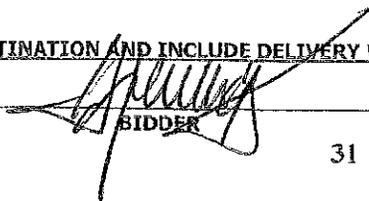
a. All Nassau County Employees are covered by the provisions of the Living Wage Law, provided, however, that Nassau County Employees covered by the collective bargaining agreement between the County and the Civil Service Employees Association are not entitled to receive the benefits supplement rate as the term is defined in the Law. The provisions of the Law also extend to paid interns hired by the County.

b. The Living Wage Law does not apply to volunteer workers utilized by the County pursuant to the County's authority to use volunteer workers under § 2105 of the Nassau County Charter. As such, the Law does not cover unpaid interns utilized by the County.

See Living Wage Law, § 1 "Employee," "Employer;" § 10 "Other Provisions"

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FIRM PRICES: Price shall remain firm for the first year of the Blanket Purchase Order and no upward escalation will be permitted. Thereafter, increases in labor and/or material(s) costs may be considered provided they are based on certified labor contracts, uncontrollable materials costs which can be verified in national publications or other increases auditable by the County of Nassau. The burden of proof for such increases shall be upon the Contractor and shall be formally directed to the Director of Purchasing. The decision as to whether or not such increases will be granted shall be made by the Director of Purchasing and shall be final. In the event an increase is not granted when requested, the Contractor may elect to continue at the bid prices or given written notice of termination, upon receipt of which the Blanket Purchase Order will be re-bid.

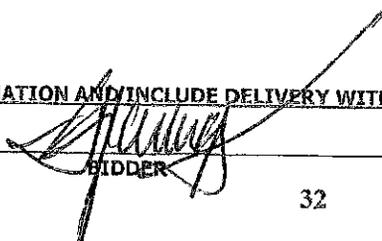
EVALUATION:

The Director of the Office of Purchasing (hereinafter known as the Director) reserves the right before making award to make investigations as to whether or not the items, qualifications, services or facilities offered by the Bidder meet the requirements set forth herein and are ample and sufficient to insure the proper performance in the event of an award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which he is bidding. Upon request of the Director of Purchasing, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.

GOVERNING LAW: Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of law's provisions thereof.

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SPECIFICATION:

ESTIMATE ANNUALLY: \$75,000

POOL EQUIPMENT REPAIR, MAINTENANCE and SERVICE

PLAN B

TIME AND MATERIALS - To be used to replace defective equipment to keep the elevator in compliance to code. The vendor must have prior written approval from the using agency.

PRICING SCHEDULE:

LABOR BETWEEN THE HOURS OF 9:00 A.M. AND 5:00 P.M. MONDAY THROUGH FRIDAY:

- B1) MINIMUM/CALL OUT CHARGE (IF ANY) (INCLUDES 4 HOURS LABOR/1 MAN) \$ 600⁰⁰
- B2) REGULAR HOURLY RATE \$ 165.30 /hr.
- B3) EACH ADDITIONAL QUARTER HOUR \$ 41.50 /¼ hr.

PARTS:

- B4) MANUFACTURER'S LIST PRICE (MLP) LESS 0 %
- B5) COST PLUS % 30 %

Vendor agrees, if requested, to provide the user department, the County Comptroller, or authorized representative of the Purchasing Department with copies of such manufacturer's list price. The cost plus rate stated above will be paid only when there is no manufacturer's list price, and when billing is accompanied by a written notice from the part manufacturer advising that it does not issue price lists or that the particular item(s) in question do not have a list price.

WARRANTY PERIOD: On Service, Repair Rendered

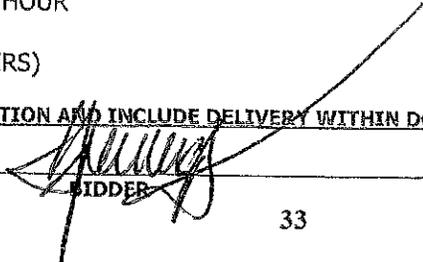
PARTS: 90 days
 LABOR: 90 days

OVERTIME RATES: All other times (after 5:00 PM or before 9:00 AM Monday through Friday, or any time on Saturday or Sunday.

- B6) MINIMUM CHARGE (IF ANY) \$ 900⁰⁰
 - B7) REGULAR HOURLY RATE \$ 248⁰⁰ /hr.
 - B8) EACH ADDITIONAL QUARTER HOUR \$ 62⁰⁰ /¼ hr.
- RESPONSE TIME: (MAXIMUM 24 HRS) 24 Hrs

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B9) EQUIPMENT: RENTAL RATE COST PLUS 0% MUST HAVE PRIOR APPROVAL BY THE USING AGENCY
THE FOLLOWING ARE THE POOL LOCATIONS & EQUIPMENT:

NICKERSON BEACH

EAST & WEST TERRACES, (INCLUDING KIDDIE POOLS) LIDO BEACH NY 11561

EQUIPMENT:

6 EA	DEEP SAND FILTERS	MFG: SWIM QUIP
2EA	CONTROL PANELS	MFG: ECC
6 EA	MULTIPOINT VALVES	MFG: SWIM EQUIP
4 EA	FLOWMETERS	MFG: SIGNET
4 EA	CHEMICAL FEEDERS*	MFG: MEC-O-MATIC DOLPHINS #SO
3 EA	CHEMICAL FEEDERS	MFG: LIQUID METRONICS

CANTIAGUE PARK

WEST JOHN ST., HICKSVILLE NY 11801

EQUIPMENT:

1 EA	CONTROL PANEL	MFG: ECC
8 EA	SAND FILTERS & REPLACEMENT MEDIA	MFG: NEPTUNE
	CONTROL VALVES	MFG: GRISWALD
	SAND FILTERS & REPLACEMENT MEDIA	MFG: NEPTUNE MISC GAUGES, VARIOUS
	CENTRIFUGAL PUMPS	MFG: ITT
1 EA	AUTOMATIC CONTROL SYSEM	MFG: ECC
7 EA	CHEMICAL FEEDERS:	MFG: WALLACE AND TIERNAN
9 EA	FLOWMETERS:	MFG: SIGNET

WANTAGH PARK

-KINGS RD., WANTAGH NY 11793

EQUIPMENT:

1 EA	CONTROL PANEL	MFG: ECC
8 EA	SAND FILTERS & MEDIA REPLACEMENT	MFG: PADDOCK CONST.
	CONTROL VALVE	MFG: GRISWALD
1 EA	AUTOMATIC CONTROL SYS.	MFG: ECC
	MISC GAUGES	MFG: VARIOUS
9 EA	FLOWMETERS:	MFG: SIGNET
	CHEMICAL FEEDERS: 8 EA	MFG: WALLACE AND TIERNAN
	1 EA	MFG: METRONICS INC.
	3 EA	MFG: MEC-O-MATICS DOLPHINS

WANTAGH PARK KIDDIE POOL

EQUIPMENT:

1 EA	SAND FILTER & MEDIA REPLACEMNT	MFG: NEPTUNE
1 EA	CONTROL PANEL	MFG: ECC
	MISC. VALVES	MFG: GRISWALD
	MISC. PUMPS & MOTORS	MFG: ITT & US MOTORS
	CHLORINE PUMPS (ALL SYSTEMS)	MFG: WALLACE & TIERNAN

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N WOODMERE PK,

BR BLVD., N WOODMERE NY 11561

EQUIPMENT:

- ✓ 1 EA CONTROL PANEL MFG: ECC
- 8 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
- 9 EA FLOWMETERS MFG: SIGNET
- INFLUENT CONTROL VALVES MFG: GRISWALD
- 2 EA LEVEL CONTROL PILOT VALVES MFG: ECC
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
- MISC GAUGES MFG: VARIOUS
- 7 EA FLOWMETER MFG: SIGNET
- CHEMICAL FEEDERS: 8 EA. MFG: WALLACE AND TIERNAN
- 1 EA. MFG: BIF
- 1 EA. MFG: LIQUID METRONICS INC.
- 3 EA. MFG: MEC-O-MATIC

N WOODMERE PK-

BR BLVD., N WOODMERE NY 11561

NEW FILTER ROOM EQUIPMENT:

- 8 EA SAND FILTERS & MEDIA REPLACEMENT MFG: ECC
- 1 EA CONTROL PANEL MFG: PADDOCK CONST.
- 9 EA FLOWMETERS MFG: SIGNET
- INFLUENT CONTROL VALVES MFG: GRISWALD
- 3 EA LEVEL CONTROL PILOT VALVES MFG: ECC
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC GAUGES MFG: VARIOUS

C. MORLEY PK

500 SEARNGTOWN ROAD, ROSLYN

EQUIPMENT:

- 1 EA CONTROL PANEL MFG: ECC
- 3 EA FILTERS WITH 48 ELEMENTS MFG: BIF
- 3 EA FLOW METERS & TRANSMITTERS MFG: BIF
- 3 EA INFLUENT CONTROL VALVES MFG: FISHER GOVERNOR CO.
- 3 EA LEVEL CONTROL PILOT VALVES MFG: BIF
- 3 EA DRY FEEDERS MFG: BIF
- 2 EA DIAPHRAGM PENDULUM UNITS MFG: BIF
- 1 EA AUTOMATIC CONTROL SYSTEM MFG: ECC
- 2 EA CHEMICAL FEEDERS: 2 EA MFG: WALLACE AND TIERNAN
- 1 EA MFG: MEC-O-MATIC
- MISCELLANEOUS GAUGES - VARIOUS

AQUATIC CENTER

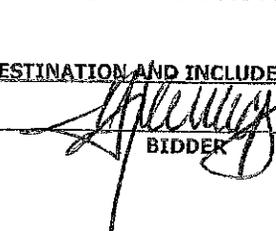
Eisenhower Park, East Meadow

EQUIPMENT:

- CONTROL PANELS MFG: ECC
- MISC CONTROL VALVES MFG: GRISWALD
- 6 EA SAND FILTERS & REPLACEMENT MEDIA MFG: PADDOCK CONST.
- MISC. GAUGES MFG: VARIOUS
- CHLORINE MONITORING SYSTEM MFG: ECC
- MISC CENTRIFUGAL PUMPS & MOTORS MFG: ITT & US MOTORS

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1 EA CHEMICAL FEEDERS
1 EA PREMA 75 PPG

MFG: WALLACE & TIERNAN

CHEMICAL FEEDERS SHOULD INCLUDE PPG DRY CHLORINE TABLET SYSTEM THESE ITEMS WILL BE COVERED UNDER PLAN "B" TIME & MATERIALS

- 1) AT THE FOLLOWING SEASONAL LOCATIONS NC UTILIZES SODIUM HYPOCHLORITE WHICH IS STORED IN POLYETHYLENE TANKS RANGING FROM 165 GALLONS UP TO 1500 GALLONS. THE FOLLOWING EQUIPMENT WILL BE COVERED: TANKS & ASSOCIATED PLUMBING, VALVES & FITTINGS.

POOL LOCATIONS ARE AS FOLLOWS:

- A) CANTIAGUE- (4) 1500 GALLON TANKS
- B) NORTH WOODMERE- (3) 1250 GALLON TANKS. (2) 800 GALLON TANK
- C) AQUATIC CENTER- (1) 165 GALLON TANK

- 2) FACILITIES HAVE POOL VACUUM ROBOTS TO CLEAN THE POOLS FROM VARIOUS MANUFACTURERS- INCLUDED BUT NOT LIMITED TO: AQUAMAX & AQUAKING. ALL LOCATIONS SHOULD INCLUDE ALL RELATED PLUMBING/PIPING ALL ATTENDANT HARDWARESERVICE TO INCLUDE INSTALLATION, REMOVAL AND STORAGE OF POOL COVERS AT THE FOLLOWING LOCATIONS:

- 1.) WANTAGH PARK:
MAIN POOL - 84' X 166'7" X 8' X 18'2"
DIVE TANK - 42'6" X 44'8"
- 2.) NO. WOODMERE:
MAIN POOL - 79' X 168' X 6' X 15'6" X 63'1"
DIVE TANK - 52'6" X 52'6"
- 3.) CANTIAGUE PARK:
MAIN POOL - 87'6" X 169'6" X 5' X 10'7"
DIVE TANK 49' X 63'11"

REPAIR AND REPLACEMENT OF DEFECTIVE PUMPS AND MOTORS

REPAIR AND REPLACEMENT OF POOL PIPING VALVES AND LEAK DETECTION REPAIR AND REPLACEMENT OF CHEMICAL TANKS AND PIPING

POOL START-UPS EACH SEASON

POOL MAINTENANCE CLASSES FOR OPERATION AND CARE POST-SEASON SHUT DOWN

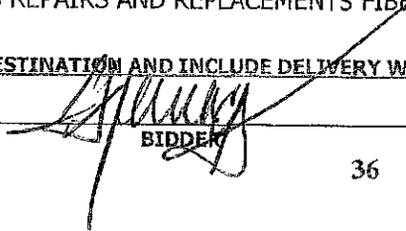
INTERACTIVE FEATURE EQUIPMENT REPAIRS AND REPLACEMENT POOL INJECTOR REPAIRS AND REPLACEMENTS

CO2 INJECTOR REPAIRS AND REPLACEMENTS MONITORING EQUIPMENT REPAIRS AND REPLACEMENTS

CHEMICAL STORAGE TANKS REPAIRS AND REPLACEMENTS FIBERGLASS REPLACEMENT AND REPAIR ON POOL LINERS

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LADDER REPLACEMENT AND PARTS FOR THE FOLLOWING:

- 1) SLIDES
 - 2) DIVING BOARDS
 - 3) LIFEGUARD CHAIRS
- RE-GEL COATING OF SLIDES

PURCHASING OF SAFETY EQUIPMENT SUCH AS:

SAFETY BUMPERS FOR INTER-ACTIVE POOLS, GRIP TAPE FOR STAIRWAYS ON ALL SLIDES

TESTING EQUIPMENT SUCH AS:

PH+ & PH-, CHLORINE NEUTRALIZER, TEST TABLETS DRY CHLORINE TABLETS FOR CHEMICAL FEEDERS, TUBING FOR CHLORINE LINES, CHLORINE INJECTOR PUMPS, DRY ACID PUMPS

POOL SUPPLIES SUCH AS:

VACUUM HEADS AND VACUUM POLES AND HOSES, VACUUMS, SKIMMER HEADS, POLES, POOL BRUSHES, HANDICAP ACCESSIBLE EQUIPMENT AND REPAIRS, POOL PAINT, POOL CORKING AND PUTTY, CLEANING AND CHANGING THE SAND IN THE FILTERS, REPLACEMENT OR REPAIR OF HYDROSTATIC VALVES IN POOLS

WALK-THROUGH

If you would like to schedule a walk-through, please contact

- 1) Tim Messner 516-572-0015 tmessner@nassaucountyny.gov
- 2) Mike Fritz 516-537-2772 mfritz@nassaucounty.gov

If you had a Walk- Through Check Box

Date of Walk-Through: _____

NOTE:

- 1) **NO ELECTRONIC SUBMISSIONS ALLOWED**
We must receive a hard copy of the bid package, which is to be sent to the following address:

Nassau County Office of Purchasing
1 West Street
Mineola, NY 11501

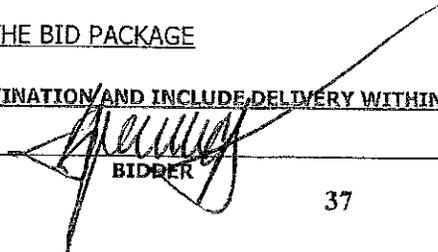
(This is also noted on the top part of the cover page.)

The bid package must be sent in a sealed envelope with the solicitation number written on it. We recommend that you send this package early to arrive the day before the bid opening, to ensure receipt.

- 2) **DO NOT STAPLE THE BID PACKAGE**

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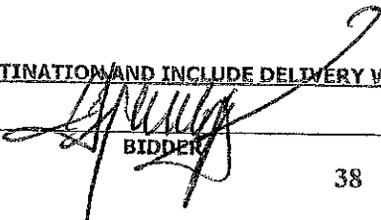

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Additional Quantities/Facilities may be added to this blanket order with a written quotation and subsequent amendment.

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/11/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER AssuredPartners Northeast, LLC. 100 Baylis Road Suite 300 Melville NY 11747		CONTACT NAME: Margherita Walkowiak PHONE (A/C, No, Ext): (631) 465-4000 FAX (A/C, No): E-MAIL ADDRESS: margherita.walkowiak@assuredpartners.com	
INSURED Eagle Control Corporation 23 Old Dock Rd Yaphank NY 11980		INSURER(S) AFFORDING COVERAGE	
		INSURER A: West American Insurance Company	NAIC # 44393
		INSURER B: Ohio Casualty Insurance Company	24074
		INSURER C: Property & Casualty Ins. Co. of Hartford	34690
		INSURER D: ShelterPoint Life Insurance	81434N
		INSURER E:	
		INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** CL2221185875 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		BKW(22)58503015	02/13/2022	02/13/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		BAQ58503015	02/13/2022	02/13/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Supplementary \$ 1,000,000
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000 <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		USO58503015	02/13/2022	02/13/2023	\$ EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	12WECZU7297	02/13/2022	02/13/2023	PER STATUTE OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	NY Disability		DBL-126253	02/01/2022	02/01/2023	Policy Limit Statutory

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Pool Equipment, Repair, Maintenance and Service
Bid No, 93165-06151-101

The following are included as additional insured if required by written contract subject to the terms and conditions of stated policies: County of Nassau

CERTIFICATE HOLDER County of Nassau 1 West Street Mineola NY 11501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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Staff Summary A-21-2022

Subject: Paper Towels Bathroom Tissue and Dispensers (S/B # 64075-03152-037)
Department: Department of Shared Service Office of Purchasing
Department Head Name: Melissa Gallucci
Department Head Signature: <i>Melissa Gallucci</i>

Date: May 13, 2022
Vendor Name: Patifco Corporation
Contract Number: A-21-2022
Contract Manager Name: Timothy Funaro, Buyer

Internal Approvals			
Date & Init.	Approval	Date & Init.	Approval
06/06/2022 <i>ASD</i>	CPO	<i>ASD</i>	Budget
05/19/2022 <i>SSA</i>	County Atty.	<i>AW 6/13/22</i>	County Exec.

Material Adverse Information Identified? No

Narrative

Purpose: To authorize and award a blanket purchase order for Paper Towels, Bathroom Tissue, and Dispensers, for the various Nassau County agencies.

Discussion: This solicitation was advertised in Newsday, the New York State Contract Reporter, and posted to the Nassau County Bid Solicitation Board. Minority Affairs was notified of this solicitation.

12 Vendors viewed the bid

0 Woman owned business	7 Minority (African/American)	0 Small Business
0 Service Disabled (Veteran) owned business	4 Veteran Owned Business	1 Non-Profit

3 Vendors bid on this solicitation

0 Woman owned business	1 Minority	2 Small Business
0 Service Disabled (Veteran) owned business	1 Veterans	

The identified lowest responsible bidder, Patifco Corporation, is listed as a small business, minority, and a veteran owned business.

Impact on Funding/Term: The maximum amount authorized under this blanket purchase order, including any renewal options that may be exercised by the Commissioner of Shared Services, shall be Three Million Dollars (\$3,000,000.00) from general funds PWGEN1100 and PWGEN0644. The term of this blanket purchase order shall be for a period of one (1) year from the effective date, with the Commissioner of Shared Services' option to renew up to an additional four (4), one (1) year periods and an additional two (2) month period, for a total possible term of five (5) years, two (2) months.

Recommendation: Department of Shared Services, Office of Purchasing recommends an award be given to Patifco Corporation as the lowest responsible bidder meeting specifications.

Timothy Funaro 5/18/22

RECEIVED
NASSAU COUNTY
OFFICE OF PURCHASING
JUN 13 2022 10:05

RECEIVED
NASSAU COUNTY
OFFICE OF PURCHASING
JUN 10 2022 3:00

RULES RESOLUTION

A RESOLUTION AUTHORIZING THE COMMISSIONER OF SHARED SERVICES TO AWARD AND EXECUTE A BLANKET PURCHASE ORDER BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF VARIOUS NASSAU COUNTY AGENCIES, AND PATIFCO CORPORATION

WHEREAS, the NASSAU COUNTY DEPARTMENT OF SHARED SERVICES, OFFICE OF PURCHASING has received competitive bids under sealed bid solicitation # 64075-03152-037 for PAPER TOWELS, BATHROOM TISSUE, and DISPENSERS for Various Nassau County Agencies as more particularly described in the bid document; and

WHEREAS, the Commissioner of Shared Services is representing to the Rules Committee that Patifco Corporation submitted the lowest responsible bid and meets all specifications for the product and/or services described in the said bid document as determined by the Commissioner of Shared Services.

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the Commissioner of Shared Services to award and execute the said Blanket Purchase Order with Patifco Corporation.

COUNTY OF NASSAU

INTER – DEPARTMENTAL MEMO

TO: CLERK OF THE COUNTY LEGISLATURE

A-21-2022

FROM: MELISSA GALLUCCI - COMMISSIONER OF SHARED SERVICES

DATE: May 13, 2022

SUBJECT: RESOLUTION – THE NASSAU COUNTY DEPARTMENT of PUBLIC WORKS

THIS RESOLUTION IS RECOMMENDED BY THE COMMISSIONER OF SHARED SERVICES TO AUTHORIZE AN AWARD AND TO EXECUTE A BLANKET PURCHASE ORDER IN THE AMOUNT OF THREE MILLION DOLLARS (\$3,000,000.00) ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS TO PATIFCO CORPORATION FOR PAPER TOWELS, BATHROOM TISSUE, and DISPENSERS FOR VARIOUS NASSAU COUNTY AGENCIES.

THE ABOVE DESCRIBED RESOLUTION AND SUPPORTING DOCUMENTATION ATTACHED HERETO IS FORWARDED FOR YOUR REVIEW, APPROVAL, AND SUBSEQUENT TRANSMITTAL TO THE RULES COMMITTEE FOR INCLUSION IN ITS AGENDA.


MELISSA GALLUCCI
COMMISSIONER OF SHARED SERVICES

MS: br

- ENCL:
- (1) STAFF SUMMARY
 - (2) DISCLOSURE STATEMENT
 - (3) RESOLUTION
 - (4) BID SUMMARY
 - (5) BID PROPOSAL
 - (6) CERTIFICATE OF LIABILITY INSURANCE
 - (7) RECOMMENDATION OF AWARD
 - (8) POLITICAL CONTRIBUTION FORM





COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
PATRICIA EJKEME [PATRICIA.EJKEME@PATIFCO.COM]

Dated: 04/08/2022 12:11:42 PM

Vendor: PATIFCO CORPORATION

Title: EXECUTIVE DIRECTOR



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

NONE

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

NONE

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

NONE

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

NONE

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

NONE

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
PATRICIA EJKEME [PATRICIA.EJKEME@PATIFCO.COM]

Dated: 04/14/2022 03:30:22 PM

Vendor: PATIFCO CORPORATION

Title: EXECUTIVE DIRECTOR

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses, attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 04/08/2022

1) Proposer's Legal Name: PATIFCO CORPORATION

2) Address of Place of Business: 5 HEATHERWOOD COURT

City: DIX HILLS State/Province/Territory: NY Zip/Postal Code: 11746

Country: US

3) Mailing Address (if different): N/A

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Own If other, please provide details:

4) Dun and Bradstreet number: 118567956

5) Federal I.D. Number: 81-3829835

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

- 17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

1 To the extent necessary, securing reasonable document control measures lessens Organization Conflict of Interest and Personal Employee Conflict of Interest risks by limiting access to certain individuals and entities, including subsidiary or affiliated entities, which may present conflict challenges.
2 Document control measures not only include access to certain information and materials by employees, but also limit the ability to copy, reproduce, or transfer such information.
3 In addition, physical separation may be a relevant mitigation effort, when and if appropriate or necessary. And electronic partitioning and "firewalling" may be a relevant mitigation effort, should the need arise.
4 However, the very first step, is to create a comprehensive ethics program that addresses Patifco Conflict of Interest and Personal or Employee Conflict of Interest, as well as other ethical considerations.

1 File(s) Uploaded: conflict-of-interest-policy-Patifco .pdf

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

09/12/2016

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

PATRICIA EJKEME

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

5 HEATHERWOOD COURT
Dix Hills, New York 11746

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

NY

v) The number of employees in the firm;

22

vi) Annual revenue of firm;

1002200

vii) Summary of relevant accomplishments



PATIFCO CORPORATION



Conflict of Interest Policy

Release 2.0
30 June 2020

This document and its contents represent the intellectual property of **Patifco Corporation** and should not be copied, shared, or distributed except for the purposes and objectives of this Conflict-of-Interest policy. ©2019 **Patifco Corporation**. All rights reserved.

Conflict of Interest Policy

PATIFCO CORPORATION

I. Purpose

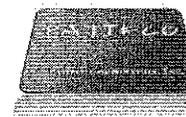
The purpose of this policy is to protect the interests of PATIFCO CORPORATION. In the regular course of business, agents and employees of PATIFCO CORPORATION may have the opportunity to advance their own personal interests with or against the interests of PATIFCO CORPORATION. Acting in such a manner is unacceptable and any party who acts outside of PATIFCO CORPORATION's best interest may be subject to disciplinary action.

II. Definitions

- a. Employee – any person who is employed by PATIFCO CORPORATION in a part or full-time capacity and in accordance with the labor laws of NEW YORK State.
- b. Agent – an owner, director, stakeholder, contractor or other third-party that is in the position to act on behalf of PATIFCO CORPORATION.
- c. Financial Interest – The interest that any individual may have in the monetary transactions of PATIFCO CORPORATION. In particular, any interest that could have a direct bearing on the financial gain/loss of said individual.

III. Procedure

- a. **Duty to disclose**
Every employee/agent of PATIFCO CORPORATION is obligated to disclose any known or potential conflicts of interest as soon as they arise. Failure to do so could result in termination of employment.
- b. **Investigating potential conflicts**
When a possible conflict of interest arises, the board of directors will collect the pertinent information and may question any concerned parties. If the board determines that a conflict exists, steps will be taken to address the conflict. If no conflict exists, the inquiry may be documented but no further action will be taken.
- c. **Addressing conflicts of interest**
When an actual conflict of interest is found, any transactions that may have been affected will be reviewed retroactively. Affected parties both within and



outside of the business, including shareholders, directors, employees, and contractors will be notified. An investigation will also be conducted by the board of directors to determine the extent of the conflict and the intentions of the parties involved.

If the conflict in question involves a member or members of the board of directors, such a member will be excused from the deliberations.

d. Disciplinary action

As all conflicts of interest will be reviewed on a case-by-case basis, a review may result in disciplinary action. The board of directors has full discretion to deem what disciplinary action is both fitting and necessary, including suspension and/or termination of employment.

IV. Acknowledgement

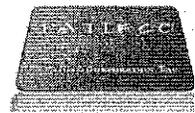
The employee/agent named below understands the procedure for conflicts of interest with PATIFCO CORPORATION, including their duty to disclose any known or potential conflicts.

Furthermore, the employee/agent agrees to abide by the procedures outlined in this policy for the duration of their professional relationship with PATIFCO CORPORATION.

Employee Name

Date

Signature



viii) Copies of all state and local licenses and permits.

1 File(s) Uploaded: patifco_cert_copy.pdf

B. Indicate number of years in business.

6

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

Currently managing multimillion-dollar programs -SUPPLY PAPER TOWELS, TISSUE AND DISPENSERS for both New York City- -
? Department of Citywide Administrative Services (DCAS) - Purchasing over \$1 billion in goods and services for over 140 City agencies.
? New York City Housing Authority (NYCHA) - the largest public housing authority in North America, home to over 445,000 residents across over 177,000 apartments within 335 housing developments

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES(DCAS)
Contact Person FRANK D'ONOFRIO
Address I CENTRE STREET
City NEW YORK State/Province/Territory NY
Country US
Telephone (917) 359-2195
Fax #
E-Mail Address fdonofrio@dcas.nyc.gov

Company NEW YORK CITY HOUSING AUTHORITY (NYCHA)
Contact Person PEDRO PENA
Address 90 CHURCH STREET
City NEW YORK State/Province/Territory NY
Country US
Telephone (212) 306-8256
Fax #
E-Mail Address pedro.pena@nycha.nyc.gov

Company IMPERIALDADE
Contact Person JEFF EISMAN
Address 255 US HIGHWAY 1 AND 9
City JERSEY CITY State/Province/Territory NJ
Country US
Telephone (718) 496-4725
Fax #
E-Mail Address JeffE@imperialdade.com

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on September 12, 2016.

A handwritten signature in cursive script that reads "Anthony Giardina".

Anthony Giardina
Executive Deputy Secretary of State

**CERTIFICATE OF INCORPORATION
OF
PATIFCO CORPORATION**

Under Section 402 of the Business Corporation Law

FIRST: The name of the corporation is:

PATIFCO CORPORATION

SECOND: This corporation is formed to engage in any lawful act or activity for which a corporation may be organized under the Business Corporation Law, provided that it is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency or other body without such consent or approval first being obtained.

THIRD: The county, within this state, in which the office of the corporation is to be located is SUFFOLK.

FOURTH: The total number and value of shares of common stock which the corporation shall have authority to issue is: 200 SHARES WITH NO PAR VALUE.

FIFTH: The Secretary of State is designated as agent of the corporation upon whom process against it may be served. The address within or without this state to which the Secretary of State shall mail a copy of any process against the corporation served upon him or her is:

PATIFCO CORPORATION
5 HEATHERWOOD CT
DIX HILLS, NY 11746

I certify that I have read the above statements, I am authorized to sign this Certificate of Incorporation, that the above statements are true and correct to the best of my knowledge and belief and that my signature typed below constitutes my signature.

Patricia Ejikeme (signature)

Patricia Ejikeme, INCORPORATOR
5 HEATHERWOOD CT
DIX HILLS, NY 11746

Filed by:
PATRICIA EJKEME
5 HEATHERWOOD CT
DIX HILLS, NY 11746

FILED WITH THE NYS DEPARTMENT OF STATE ON: 09/12/2016
FILE NUMBER: 160912010288; DOS ID: 5006859

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on September 12, 2016.

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5 HEATHERWOOD CT
DIX HILLS, NY 11746

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Patricia Ejikeme (signature)

Patricia Ejikeme, INCORPORATOR
5 HEATHERWOOD CT
DIX HILLS, NY 11746

Filed by:
PATRICIA EJKEME
5 HEATHERWOOD CT
DIX HILLS, NY 11746

FILED WITH THE NYS DEPARTMENT OF STATE ON: 09/12/2016
FILE NUMBER: 160912010288; DOS ID: 5006859

I, PATRICIA EJKEME , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, PATRICIA EJKEME , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: PATIFCO CORPORATION

Electronically signed and certified at the date and time indicated by:
PATRICIA EJKEME [PATRICIA.EJKEME@PATIFCO.COM]

EXECUTIVE DIRECTOR
Title

04/09/2022 10:07:59 PM
Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: PATRICIA EJKEME
Date of birth: 12/02/1963
Home address: 5 HEATHERWOOD COURT
City: DIX HILLS State/Province/Territory: NY Zip/Postal Code: 11746
Country: US

Business Address: 5 HEATHERWOOD COURT
City: DIX HILLS State/Province/Territory: NY Zip/Postal Code: 11746
Country: US
Telephone: 6316977137

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	<u>09/12/2016</u>	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

100%

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, PATRICIA EJKEME , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, PATRICIA EJKEME , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

PATIFCO CORPORATION

Name of submitting business

Electronically signed and certified at the date and time indicated by:

PATRICIA EJKEME [PATRICIA.EJKEME@PATIFCO.COM]

EXECUTIVE DIRECTOR

Title

04/14/2022 03:41:46 PM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: PATIFCO CORPORATION

Address: 5 HEATHERWOOD COURT

City: DIX HILLS State/Province/Territory: NY Zip/Postal Code: 11746

Country: US

2. Entity's Vendor Identification Number: 81-3829835

3. Type of Business: Closely Held Corp (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded OFFICER.pdf

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

1 File(s) uploaded OFFICER.pdf

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

none

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

n/a

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities

Patifco Corporation.

5 Heatherwood Court, Dix Hills, New York 11746
Phone: (631) 697-7137 - Email: Patricia.ejikeme@patifco.com

OFFICER OF THE ORGANIZATION

PATIFCO CORPORATION

PATRICIA EJKEME
5 HEATHERWOOD COURT
DIX HILLS, NEW YORK 11746

NAICS CODES

541511 - Custom Computer Programming Services
541618 - Other Management Consulting Services
518210 - Data Processing, Hosting, and Related Services
541512 - Computer Systems Design Services
541519 - Other Computer-Related Services



Patifco Corporation.

5 Heatherwood Court, Dix Hills, New York 11746
Phone: (631) 697-7137 - Email: Patricia.ejikeme@patifco.com

OFFICER OF THE ORGANIZATION

PATIFCO CORPORATION

PATRICIA EJKEME
5 HEATHERWOOD COURT
DIX HILLS, NEW YORK 11746

NAIC'S CODES

- 541511 - Custom Computer Programming Services
- 541618 - Other Management Consulting Services
- 518210 - Data Processing, Hosting, and Related Services
- 541512 - Computer Systems Design Services
- 541519 - Other Computer-Related Services



N/A

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
PATRICIA EJKEME [PATRICIA.EJKEME@PATIFCO.COM]

Dated: 04/10/2022 05:08:53 PM

Title: EXECUTIVE DIRECTOR

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

FORMAL SEALED BID PROPOSAL

	STATE OF NEW YORK		BID NUMBER 64075-03152-037
	COUNTY OF NASSAU		Dated: Ad. 02/17/2022
BIDS WILL BE RECEIVED AND OPENED AT OFFICE OF PURCHASING, 1 WEST STREET, NORTH ENTRANCE, MINEOLA, NEW YORK 11501 OFFICE HOURS 9 AM – NOON & 1 PM – 4:45 PM			BID OPENING DATE March 15, 2022 11:00 A.M. E.D.S.T.
BUYER Timothy Funaro	TELEPHONE 516-571-7720	OFFICE OF PURCHASING N/A	

PREPARE YOUR BID ON THIS FORM USING BLACK INK OR TYPEWRITER

BID TITLE:	Paper Towels Bathroom Tissue and Dispensers	MAR 15 2022
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• ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED

THE UNDERSIGNED BIDDER AFFIRMS AND DECLARES THAT HE/SHE HAS CAREFULLY EXAMINED THE ADVERTISED INVITATION FOR BIDS, THE BID TERMS AND CONDITIONS, AND DETAILED SPECIFICATIONS, AND CERTIFIES THAT THIS BID IS SIGNED WITH FULL KNOWLEDGE AND ACCEPTANCE OF ALL THE PROVISIONS THEREOF AND OFFERS AND AGREES, IF THIS BID IS ACCEPTED WITHIN NINETY (90) DAYS FROM THE BID OPENING DATE TO FURNISH ANY OR ALL THE ITEMS UPON WHICH PRICES ARE HEREINAFTER QUOTED IN THE QUANTITY AND AT THE PRICES BID.

CASH DISCOUNT OF 2% PERCENT WILL BE ALLOWED FOR PROMPT PAYMENT WITHIN 20 BUSINESS DAYS.

THE BIDDER CERTIFIES THAT: (A) THE BID HAS BEEN ARRIVED AT BY THE BIDDER INDEPENDENTLY AND HAS BEEN SUBMITTED WITHOUT COLLUSION WITH ANY OTHER VENDOR OF MATERIALS, SUPPLIES OR EQUIPMENT OF THE TYPE DESCRIBED IN INVITATION FOR BIDS, AND (B) THE CONTENTS OF THE BID HAVE NOT BEEN COMMUNICATED BY THE BIDDER, NOR, TO ITS BEST KNOWLEDGE AND BELIEF, BY ANY OF ITS EMPLOYEES OR AGENTS, TO ANY PERSON NOT AN EMPLOYEE OR AGENT OF BIDDER OR ITS SURETY ON ANY BOND FURNISHED HEREWITH PRIOR TO OFFICIAL OPENING OF THE BID.

DELIVERY MADE TO: Various Nassau County Agencies	GUARANTEED DELIVERY DATE 10 DAYS DAYS AFTER RECEIPT OF ORDER
EMPLOYERS FEDERAL TAX ID NUMBER	

TOLL FREE TELEPHONE NUMBER:
BIDS MUST BE SIGNED BY PROPRIETOR, PARTNER OR OFFICER AUTHORIZED TO SIGN FOR CORPORATION

NAME OF BIDDER	PATIFCO CORPORATION		
ADDRESS	5 HEATHERWOOD COURT		
CITY	STATE	ZIP CODE	TELEPHONE
DIX HILLS	NY	11746	(631) 697-7137
SIGNATURE OF AUTHORIZED INDIVIDUAL	PRINT OR TYPE NAME OF SIGNER AND TITLE		
<i>Patricia Ejikeme</i>	PATRICIA EJKEME EXECUTIVE DIRECTOR		

IN EXECUTING THIS BID, THE BIDDER WARRANTS THAT THE PRICES SUBMITTED HEREIN ARE NOT HIGHER THAN THOSE OFFERED TO ANY GOVERNMENTAL OR COMMERCIAL CONSUMER FOR LIKE DELIVERIES. THE PRICES HEREIN SHOULD NOT INCLUDE ANY FEDERAL EXCISE TAXES OR SALES TAXES IMPOSED BY ANY STATE OR MUNICIPAL GOVERNMENT. SUCH TAXES, IF INCLUDED, MUST BE DEDUCTED BY THE BIDDER WHEN SUBMITTING BID. BIDDERS ARE REQUESTED TO ALSO READ THE TERMS AND CONDITIONS.

BID TERMS AND CONDITIONS

- Bids on equipment must be on standard new equipment, latest model, except as otherwise specifically stated in proposal or detailed specification. Where any part of nominal appurtenances of equipment is not described, it shall be understood that all equipment and appurtenances which are usually provided in the manufacturer's stock model shall be furnished.
- Bids on materials and supplies must be for new items except as otherwise specifically stated in bid or detailed specifications.
- Bidder declares that the bid is made without any connection with any other Bidder, submitting a bid for the same items, and is in all respects fair and without collusion or fraud.
- PRICES The provisions of the New York State Fair Trade Law (Fed-Crawford Act) and the federal price discrimination law (Robinson-Patman Act) do not apply to purchases made by the County.
- SURETY In the event that an award is made hereunder, The Director of Purchase reserves the right to request successful bidders to post, within one week, security for faithful performance, with the understanding that the whole or any part thereof may be used by the County of Nassau to supply any deficiency that may arise from any default on the part of the Bidder. Such security must meet all the requirements of the County Attorney and be approved by the County Attorney.

6. **SAMPLES** Samples, when required, must be submitted strictly in accordance with instructions; otherwise bid may not be considered. If samples are requested subsequent to bid opening they shall be delivered within five (5) days of the request for bid to have consideration. Samples must be furnished free of charge and must be accompanied by descriptive memorandum invoices indicating if the Bidder desires their return; also specifying the address to which they are to be returned, provided they have not been used or made useless by tests. Award samples may be held for comparison with deliveries. Samples will be returned at the Bidders risk and expense.
7. Award The Director, Office of Purchasing reserves the right before making award to make investigations as to whether or not the items, qualifications or facilities offered by the Bidder meet the requirements set forth herein and are sample and sufficient to insure the proper performance in the event of award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery and capacity of the manufacturer for the production and distribution of the material on which he is bidding. Upon request of the Director, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that articles or equipment proposed to be furnished do not meet the requirements called for, or that the qualification, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.
8. Awards will be made to the lowest responsible Bidder. Cash discounts will not be a factor in determining awards, except in tie bids. Consideration will be given to the reliability of the Bidder, the quantities of the materials, equipment or supplies to be furnished, their conformity with the specifications, the purpose for which required and the terms of delivery.
9. The Director reserves the right to reject and all bids in whole or in part and to waive technical defects, irregularities and omissions if in his judgment the best interests of the County will be served.
10. Unless otherwise indicated herein, the Director reserves the right to make award by items, by classes, by group of items, or as a whole.
11. **DELIVERIES** Upon failure of the Vendor to deliver within the time specified, or within reasonable time as interpreted by the Director, or failure to make replacement of rejected articles, when so requested immediately or as directed by the Director, the Director may purchase from other sources to take the place of the item rejected or not delivered. The Director reserves the right to authorize immediate purchase from other sources against rejections on any order when necessary. On all such purchases the Vendor agrees to promptly reimburse the County for excess cost occasioned by such purchases. Should the cost be less, the Vendor shall have no claim to the difference. Such purchases will be deducted from order quantity.
12. An order may be canceled at the Vendors expense upon nonperformance. Failure of the Vendor to furnish additional surety within ten (10) days from date of requested shall be sufficient cause for the cancellation of the order.
13. When in the determination of the Director, the articles or equipment delivered fail to meet County specifications or, if in the determination of the Director, the Vendor consistently fails to deliver as ordered, the Director reserves the right, to cancel the order and purchase the balance from other sources at Vendor expense.
14. Delivery must be made as ordered and in accordance with the bid. If delivery instructions do not appear on order. It will be interpreted to mean prompt delivery. The decision of the Director as to reasonable compliance with delivery terms shall be final. Burden of proof of delay in receipt of order shall rest with the Vendor.
15. The County Agencies will not schedule any deliveries for Saturdays, Sundays or Legal Holiday, except commodities required for daily consumption or where the delivery is an emergency, a replacement, or is overdue, in which event the convenience of the Agency will govern.
16. Supplies shall be securely and properly packed for shipment, according to accepted commercial practice, without extra charge for packing cases, reels, bailing or sacks, the containers to remain the property of the agency unless definitely stated otherwise in the bid.
17. The Vendor shall be responsible for delivery of supplies in good condition at point of destination. The Vendor shall file all claims with carrier for breakage, imperfections and other losses, which will be deducted from invoices. The receiving Agency will note for the benefit of Vendor when packages are not received in good conditions.
18. All supplies which are customarily labeled or identified must have securely affixed thereto the original un-mutilated label or marking of the manufacturer.
19. Billings for deliveries must be rendered on County claim forms.
20. Furniture, machines, and other equipment must be delivered, installed and set in place as directed, ready for use unless otherwise specified.
21. Deliveries are subject to reweighing at destination by the County and payment will be made on the basis of materials delivered. Normal shrinkage will be allowed in such instances where shrinkage is possible. Short weight shall be sufficient cause for cancellation of order at Vendors expense.
22. **GUARANTEES BY BIDDER** Bidder hereby guarantees: (a) To save the County, its agents and employees harmless from liability of any nature or kind for the use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance hereof of which the Bidder is not the Patentee, assignee or licensee, and to defend any action brought against the County in the name of the County and under the direction of the County Attorney at the sole cost of the Bidder or in the sole option of the Director to pay the cost of such defense to the County. (b) His products against defective material or workmanship and to repair any damages or marring occasioned in transit.
- (c) To furnish adequate protection from damage for all work and to repair damages of any kind, for which he or his workmen are responsible, to the building or equipment, to this own work or the work of other Vendors, or in the opinion of the Director to pay for the same by deductions in payments due under this contract.
- (d) To pay for all permits, licenses and fees and give all notices and comply with all laws, ordinances, rules and regulations of the city, village or town in which the installation his to be made, and of the County of Nassau and the State of New York.
- (e) To carry proper insurance in the opinion of the Director, and approved by the County Attorney to protect the County from loss in case of accident, fire and theft.
- (f) That he will keep himself fully informed, of all municipal ordinances and regulations, state and national laws in any manner affecting the work or goods herein specified, and any extra work contracted for by him, and shall at all times observe and comply with said ordinances, laws and regulations, including all provisions of the Workmen Compensation and Labor Laws, and shall indemnify and save harmless the County of Nassau and the Nassau County Legislature from loss and liability upon any and all Claims on account of any physical injury to persons, including death, or damage to property and from all cost and expenses in suits which may be brought against the same on account of such injuries irrespective of the actual cost of the same and irrespective of whether the same shall have been due to the negligence of the Bidder or his agents.
- (g) That the items furnished shall conform to all the provisions of the bid and this
- (h) That all deliveries will not be inferior to the accepted bid sample.
23. **LABOR LAWS and ANTIDISCRIMINATION.** Upon the vendor acceptance hereof, the vendor agrees to comply with Article IX, Section 2 C of the Constitution of the State of New York, Section 220, 220a, 220b, 220d, 220e and 230 of the Labor Law, Section 5 and 12 of the Lien Law, Article 2 of the Uniform Commercial Code, Sections 108 and 109 as well as Article 18 of the General Municipal Law, Section 2218 of the County Government Law of Nassau County, Section 224.2 of the Nassau County Administrative Code, the provisions of the anti-Discrimination Order of Nassau County, and the vendor shall keep himself fully informed of all additional municipal ordinances and regulations, State and National Laws in any manner affecting this order and the goods or services delivered or rendered or to be delivered or rendered there under, and shall at all times observe and comply with said ordinances, laws and regulations at his sole cost and expense.
24. **ASSIGNMENT.** The contractor is hereby prohibited from assigned, transferring, conveying, subletting or otherwise disposing of this contract or his right, title, or interest therein, or his power to execute such contract, to any other person or corporation without the previous consent in writing of the officer, board or agency awarding the contract.
25. The County of Nassau will not be responsible nor liable for any shipment or delivery of any materials, supplies, or equipment without it's express written instructions or valid Purchase Order.
26. No agreements, changes, modifications or alterations shall be deemed effective nor shall the same be binding upon the County unless in writing and signed by the Director, Office of Purchasing or his duly designated representative.

Director, Office of Purchasing



EXECUTIVE DIRECTOR

DISCLOSURE STATEMENT

THE NASSAU COUNTY LEGISLATURE REQUIRES THE FOLLOWING INFORMATION PRIOR TO CONSIDERATION FOR AN AWARD.

Bidders Name: PATIFCO CORPORATION

Address: 5 HEATHERWOOD COURT, DIX HILLS, NEW YORK 11746

Telephone No: (631) 697-7137 Fax No:

1. State Whether: A Corporation OF NEW YORK

Individual _____

Partnership _____

GUIDELINES FOR DISCLOSURE

THE NASSAU COUNTY LEGISLATURE REQUIRES THE NAMES AND HOME* ADDRESSES OF ALL PRINCIPALS. DISCLOSURE MUST BE PROVIDED AS INDICATED BY TYPE OF OWNERSHIP. (PLEASE LIST ALL REQUIRED INFORMATION ON A SEPARATE SHEET AND ATTACH TO BID.)

- 1) Sole Proprietorship/Individual. The Name and Home Address of the Sole Proprietorship/Individual.
- 2) Closely Held Corporation. The Name and Home Addresses of all Shareholders, Officers and Directors.
- 3) Publicly Traded Corporation. Only the page(s) of the SEC FORM 10-K setting forth the name of all officers and directors.
- 4) Not for Profit Corporation. The Names and Home Addresses of all members, Officer and Directors.
- 5) Partnership. The Names and Home Address of all General and Limited Partners.
- 6) Limited Liability Company. The Names and Home Addresses of all Members.
- 7) Limited Liability Partnership. The Name and Home Addresses of all Members.
- 8) Joint Venture. The Names and Home Addresses of all Joint Ventures.

NOTE: IF ANY ENTITY IS TIERED, YOU MUST ALSO LIST ALL INDIVIDUAL PRINCIPALS OF THE TIERED ENTITY.
*IN THE CASE OF PUBLICLY TRADED CORPORATIONS THE SEC FORM 10K SUFFICES AND HOME ADDRESSES ARE NOT NECESSARY.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE patricia Giesma EXECUTIVE DIRECTOR

BIDDER **TITLE**

QUALIFICATION STATEMENT

BIDDER'S NAME: PATIFCO CORPORATION

ADDRESS: 5 HEATHERWOOD COURT, DIX HILLS, NEW YORK 11746

1. STATE WHETHER: CORPORATION INDIVIDUAL _____ PARTNERSHIP _____

2. IF A CORPORATION OR PARTNERSHIP LIST NAME(S) AND ADDRESS(S) OF OFFICER(S) OR MEMBER(S)
PRESIDENT PATRICIA EJKEME

VICE PRESIDENT

SECRETARY

TREASURER

3. HAVE YOU FILED A QUALIFICATION STATEMENT WITH THE COUNTY OF NASSAU? _____
IF SO WHEN?

4. HOW MANY YEARS HAS YOUR ORGANIZATION BEEN IN BUSINESS UNDER YOUR PRESENT NAME? 6 YEARS

5. HAVE YOU, OR YOUR FIRM, EVER FAILED TO COMPLETE ANY WORK AWARDED TO YOU? NO
IF SO, WHERE AND WHY?

6. IN WHAT OTHER LINES OF BUSINESS ARE YOU OR YOUR FIRM INTERESTED? INFORMATION TECHNOLOGY

7. WHAT IS THE EXPERIENCE OF THE PRINCIPAL INDIVIDUALS OF YOUR ORGANIZATION RELATING TO THE SUBJECT OF THIS BID?

INDIVIDUALS NAME	PRESENT POSITION	YEARS OF EXPERIENCE	MAGNITUDE AND TYPE OF WORK	IN WHAT CAPACITY
PATRICIA EJKEME	EXECUTIVE DIRECTOR	30 YRS	MANAGEMENT	PATIFCO CORPORATION VP - JPMORGANCHASE VP- GOLDMAN SACH

8. IN WHAT MANNER HAVE YOU INSPECTED THIS PROPOSED WORK? EXPLAIN IN DETAIL.

- Currently managing multimillion-dollar programs (SUPPLY PAPER TOWELS, TISSUE AND DISPENSERS) for both New York City-
- Department of Citywide Administrative Services (DCAS) - Purchasing over \$1 billion in goods and services for over 140 City agencies.
 - New York City Housing Authority (NYCHA) - the largest public housing authority in North America, home to over 445,000 residents across over 177,000 apartments within 335 housing developments.

9. THE CONTRACT, IF AWARDED TO YOU OR YOUR FIRM, WILL HAVE THE PERSONAL SUPERVISION OF WHOM? GIVE NAME AND PRESENT POSITION PATRICIA EJKEME EXECUTIVE DIRECTOR

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE patricia Ejkeme
BIDDER

EXECUTIVE DIRECTOR
TITLE

10. BIDDERS ARE REQUIRED TO COMPLETE THIS FORM PROVIDING THREE (3) REFERENCES OF PAST PERFORMANCE. REFERENCES SHOULD INVOLVE PROJECTS AND/OR SERVICE SITUATIONS OF SIMILAR SIZE AND SCOPE TO THIS BID. REFERENCES MUST HAVE HAD DEALING WITH THE BIDDER WITHIN THE LAST THIRTY-SIX (36) MONTHS. THE COUNTY RESERVES THE RIGHT TO CONTACT ANY OR ALL OF THE REFERENCES SUPPLIED FOR AN EVALUATION OF PAST PERFORMANCE IN ORDER TO ESTABLISH THE RESPONSIBILITY OF THE BIDDER BEFORE THE ACTUAL AWARD OF THE BID AND/OR CONTRACT. COMPLETION OF THE REFERENCE FORM IS REQUIRED.

NASSAU COUNTY (AND ANY OF ITS AGENCIES) MAY BE LISTED AS AN ADDITIONAL REFERENCE, BUT MAY NOT BE SUBSTITUTED FOR ANY OF THE THREE REQUIRED REFERENCES.

1. REFERENCE'S NAME: DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES (DCAS)

ADDRESS: 1 CENTRE STREET, NEW YORK, NY 10007

DCAS DIVISION OF MUNICIPAL SUPPLY SERVICE, CENTRAL STOREHOUSE, 86-26 METROPOLITAN AVENUE, MIDDLE VILLAGE, NEW YORK 11379

TELEPHONE: (718) 416-8705 CONTACT PERSON FRANK D'ONOFRIO EXECUTIVE DIRECTOR - DCAS LOGISTICS

CONTRACT DATE: APRIL 2020

2. REFERENCE'S NAME: NEW YORK CITY HOUSING AUTHORITY (NYCHA)

ADDRESS: 90 CHURCH STREET, NEW YORK, NY 10007

TELEPHONE: (212) 306-8256 CONTACT PERSON PEDRO PENA EXECUTIVE DIRECTOR

CONTRACT DATE: MARCH 2019

3. REFERENCE'S NAME: IMPERIALDADE

ADDRESS: 255 US HIGHWAY 1 AND 9, JERSEY CITY, NJ 07306

TELEPHONE: (718) 496-4725 CONTACT PERSON JEFF EISMAN - EXECUTIVE DIRECTOR

CONTRACT DATE: JULY 2021

USE SEPARATE PAGE IF ADDITIONAL SPACE IS NEEDED.

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BIDDER SIGN HERE patricia Ejekeme EXECUTIVE DIRECTOR
BIDDER TITLE

IRAN DIVESTMENT ACT COMPLIANCE CERTIFICATION

Pursuant to General Municipal Law Section 103-g, which generally prohibits the County from entering into contracts with persons engaged in investment activities in the energy sector of Iran, the Bidder submits the following certification:

PLEASE CHECK ONE:

By submission of this Bid, I certify, and in the case of a joint Bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of my knowledge and belief, that the Bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law.

OR

I am unable to certify that the Bidder does not appear on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the State Finance Law. I have attached a signed statement setting forth in detail why I cannot so certify.

Dated: 3/1/2022

patricia Ejikeme

(Signature of Bidder)

Print Name: PATRICIA EJKEME

Print Title: EXECUTIVE DIRECTOR

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EXECUTIVE DIRECTOR
TITLE

foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition,

construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in Best Efforts with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

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patricia Gikama
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EXECUTIVE DIRECTOR

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INDEMNIFICATION:

Contractor agrees to indemnify and hold harmless County and its agents, officers and employees, from and against any and all losses, costs, expenses (including attorneys' fees and disbursements), damages and liabilities, arising out of or in connection with any acts or omissions of Contractor, its officers, agents or employees, provided, however, that Contractor shall not be responsible for that portion, if any, of a loss that is caused by the negligence of the County; and provided, further, that Contractor shall not be liable for consequential, indirect or special damages. Contractor shall, at County's demand and at County's direction, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought against County, its agents, officers or employees in connection with a loss for which Contractor is responsible under this paragraph.

DEFINITIONS:

- The term "County" as used herein, shall be deemed as reference to the County of Nassau, State of New York.
- The term "Contractor" as used herein, shall be deemed as reference to the successful bidder, vendor, proprietor, partnership, or corporation receiving an award to perform any or all of the services specified herein in accordance with the terms of this agreement.
- The term "agency" as used herein, shall be deemed as the department, division, bureau, office, agency or other Nassau County establishment authorized to receive the service specified herein.
- The term "Director" as used herein, shall be deemed as reference to the Director of the Office of Purchasing.
- The term "Blanket Order" as used herein, shall be deemed as the multiple use pricing agreement as a result of this bid.
- The term "Purchase Order" as used herein, shall be deemed as the single use pricing agreement as a result of this bid.
- The term "complete" as written in this bid must include all equipment, delivery and installation of same in its entirety, as listed in the contract documents, and is to include all supervision, labor, materials, plant equipment, transportation, testing, (if required) incidentals, and other facilities as necessary and/or required to execute all the work as herein specified, or as incidentally required to provide a complete operating installation.

NOTE: INSERT FEDERAL IDENTIFICATION NUMBER IN SPACE PROVIDED ON PAGE 1.

M/WBE, SDVOB and DBE Participation: The County encourages the participation of certified Service-Disabled Veteran-Owned Businesses ("SDVOB"), Minority or Women-Owned Business Enterprises ("M/WBE"), and Disadvantaged Business Enterprises ("DBE") in the bidding process. A Contractor that is certified by New York State or the County as a SDVOB, M/WBE, and/or DBE should include this information in their bid. For more information regarding the County's SDVOB, M/WBE, or DBE programs, please visit the Nassau County Office of Minority Affairs website

IMPORTANT

PRICE MUST BE INSERTED WITH TYPEWRITER OR INK. BIDS MUST BE SIGNED IN INK. TO ASSURE OFFER REACHING IN TIME, **YOU ARE URGED TO MAIL YOUR FORMAL SEALED BID EARLY. THIS FORMAL SEALED BID MUST REACH OUR OFFICE BY 11:00 A.M.** LATE FORMAL SEALED BIDS WILL NOT BE ACCEPTED.

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REQUIRED VENDOR DISCLOSURE FORMS

Prior to the bid opening, the following disclosure forms (the "Disclosure Forms") must be submitted in the Nassau County Vendor Portal at

https://apex5.nassaucountyny.gov/ords/f?p=312:LOGIN_DESKTOP:3445712403627:

- a. A duly completed and verified Business History Form, together with a current certified or verified financial statement and/or other commercially reliable written evidence of the bidder's credit, financial standing and capacity to perform in accordance with the terms of the Contract.
- b. All officers, and any individuals who hold a ten percent (10%) or greater ownership interest in the bidder, shall complete and verify the Principal Questionnaire.
- c. The County of Nassau Consultant's, Contractor's and Vendor's Disclosure Form
- d. Additionally, if the bidder utilizes the services of any individual or organization for the purposes of conducting lobbying activities and is awarded the contract, the successful proposer will be required to provide a copy of the Lobbyist Registration and Disclosure Form, completed and verified by that individual/organization.

PLEASE NOTE:

- If a bidder has previously submitted the Disclosure Forms in the Nassau County Vendor Portal, the bidder must ensure that the forms on file in the Portal are current, accurate, and have been recertified within three (3) months prior to the bid opening date. The bidder must also ensure that their response to question 7, and its subparts, on the Consultant's, Contractor's, and Vendor's Disclosure Form is provided in relation to the specific solicitation under consideration.

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patricia jikeme
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REQUESTS FOR INFORMATION OR CLARIFICATION

Before bidding, bidders must examine all of the Contract documents, including the specifications, any drawings, and all instructions. If the bidder finds any inconsistency, ambiguity, omission or error in the specifications, drawings, instructions or any other Contract document, or if the bidder is in doubt as to the meaning of any term or condition of the Contract, the bidder must promptly so notify the **Office of Purchasing** in writing prior to the bid opening. The failure of the bidder to notify the **Office of Purchasing**, prior to the bid opening of any inconsistency, ambiguity, omission or error that the bidder actually found, or that should have been discovered by a reasonably prudent bidder, will preclude and negate acceptance of the bidder's claim.

If the **Office of Purchasing** receives a notification from a bidder of a differing site condition or an inconsistency, ambiguity, omission or error in the Contract documents, the **Office of Purchasing** will, as it deems necessary or desirable, issue a written interpretation or correction to the Contract documents as an amendment to the Contract documents. Any such amendment will be made available electronically to each person that received a copy of the Contract documents as reflected in the records of the **Office of Purchasing**, and any such amendment will also be available at the place where the Contract documents are available for inspection by prospective bidders.

Upon such mailing or delivery, such amendment shall become part of the Contract documents and shall be binding on all bidders, whether or not they have had actual notice of such addendum.

Please note that all bidder requests for information or clarification must be received by the Authority at least 72 hours prior to the bid opening. Any bidder requests for information or issues with the contract documents presented after that time may not be addressed by the Office of Purchasing.

Ordinance # 153-2018

Pursuant to Ordinance # 153-2018, a bidder that is awarded a contract under this bid is required to pay the County an administrative service charge in accordance with the following schedule:

<u>Value of Contract</u>	<u>Administrative Fee</u>
\$0-\$10,000	\$0
Over \$10,000-\$50,000	\$160
Over \$50,000-\$100,000	\$266
Over \$100,000	\$533

After an award, the successful bidder(s) will be notified by the Director of Shared Services, or their designee, when payment of the administrative charge is due. Please note, if you are a religious, charitable, nonprofit, or not-for-profit organization, please include this information in your bid for consideration by the Director of the Shared Services to waive the fee.

Ordinance # 72-2014

The bidder declares that they are a registered vendor with the County. All registered vendors must pay a Two Hundred Seventy-Five Dollar (\$275.00) per contract fee to register Blanket contracts on the County's procurement website, as required under Ordinance # 72-2014.

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patricia Ejekeme

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TITLE

INTENT

SCOPE: It is the INTENT of the County of Nassau to properly describe by these specifications, terms and conditions an adequate method of providing **Paper Towels Bathroom Tissue and Dispensers** for the agency or agencies named herein in order that they may enjoy uninterrupted service in consideration for payment of the price bid.

PURPOSE: The purpose of this bid is to establish a price structure on which items and/or services listed herein will be made under Blanket orders.

PERIOD COVERED: Shall be for one (1) year from the effective date. The County of Nassau reserves the right to extend the Blanket Order up to an additional four (4) year(s), at up to one (1) year options. However, the termination of the Blanket Order may be further extended up to two (2) months beyond the stated termination date. The maximum period of any Blanket Order as a result of this bid with renewal options applied shall be five (5) year(s), and if the further extension is applied, five (5) years and two (2) months.

ALL EXTENSIONS ARE SUBJECT UPON THE MUTUAL CONSENT OF BOTH PARTIES.

FIRM PRICES Price shall remain firm for the first year of the Blanket Purchase Order and no upward escalation will be permitted. Thereafter, increases in labor and/or material(s) costs may be considered provided they are based on certified labor contracts, uncontrollable materials costs which can be verified in national publications or other increases auditable by the County of Nassau. The burden of proof for such increases shall be upon the Contractor and shall be formally directed to the Director of Purchasing. The decision as to whether or not such increases will be granted shall be made by the Director of Purchasing and shall be final. In the event an increase is not granted when requested, the Contractor may elect to continue at the bid prices or given written notice of termination, upon receipt of which the Blanket Purchase Order will be re-bid.

AWARD: Award, if any, will be made to the lowest responsible bidder, who in the opinion of the Director of Purchasing, meets the specifications and qualifications stated herein. The Director of Purchasing reserves the right to make an award be items, groups, or classes of items or as a whole. Awards will be made in accordance with the terms and conditions attached hereto and made part hereof.

DELIVERY: Bidders are required to state guaranteed delivery date in terms of days after receipt of order in the space provided below and on page one. Bidders are cautioned to post realistic delivery dates. Guaranteed delivery dates will be strictly enforced. Must be made within 15 days A/R/O unless stated otherwise below:

Delivery to be made 10 DAYS **Days A/R/O.**

Delivery shall be made **ONLY** upon receipt of a Purchase Order, or in the case of a Blanket Order, upon receipt of a Direct Purchase Order(s) from a using agency authorized to use the Blanket Order which will be issued to the successful bidder. Purchase Order and Direct Purchase Order shall indicate the destination address. Inside delivery is required on all deliveries.

Bidders agree that all orders shall be effective and binding upon the contractor when PLACED IN THE MAIL addressed to the Contractor at the address shown on the Blanket Order/Purchase Order PRIOR TO MIDNIGHT OF THE FINAL DAY OF CONTRACT.

INSPECTION: Bidders should be aware of Inspection and Delivery requirements as stipulated.

BILLING: Shall be made on County claim forms or Certified Invoices to the individual using County Agency upon completion of deliveries made against applicable Purchase Order(s) or Direct Purchase Order(s).

NO PARTIAL PAYMENTS WILL BE PAID.

*****VENDOR CLAIM CERTIFICATION*****

IF A CLAIM VOUCHER IS NOT BEING SUBMITTED, THE FOLLOWING CERTIFICATION **MUST** APPEAR ON THE INVOICE:

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BIDDER

EXECUTIVE DIRECTOR
TITLE

I HEREBY CERTIFY THAT ALL ITEMS OR SERVICES WERE DELIVERED OR RENDERED AS SET FORTH IN THIS CLAIM; THAT THE PRICES CHARGED ARE IN ACCORDANCE WITH REFERENCED PURCHASE ORDER, DIRECT PURCHASE ORDER OR CONTRACT, THAT THE CLAIM IS JUST, TRUE AND CORRECT; THAT THE BALANCE STATED HEREIN IS ACTUALLY DUE AND OWING AND HAS NOT BEEN PREVIOUSLY CLAIMED; THAT NO TAXES FROM WHICH THE COUNTY IS EXEMPT ARE INCLUDED; AND THAT ANY AMOUNTS CLAIMED FOR DISBURSEMENTS HAVE ACTUALLY AND NECESSARILY BEEN MADE.

PATRICIA EJKEME	3/1/2022
_____ CLAIMANT NAME	_____ DATE
<i>patricia Ejikeme</i> BY (SIGNATURE)	EXECUTIVE DIRECTOR TITLE

CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID*

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

PAYMENT: A certified invoice, or a County claim form to which the invoice is attached, shall be submitted in arrears, directly to the using agency, supported by vouchers signed by agency personnel attesting to satisfactory completion of the required services as specified.

*****VENDOR CLAIM CERTIFICATION*****

If a claim voucher is not being submitted, the following certification MUST appear on the invoice:

I hereby certify that all items or services were delivered or rendered as set forth in this claim; that the prices charged are in accordance with referenced purchase order, delivery order or contract, that the claim is just, true and correct; that the balance stated herein is actually due and owing and has not been previously claimed; that no taxes from which the County is exempt are included; and that any amounts claimed for disbursements have actually and necessarily been made.

PATRICIA EJKEME	3/1/2022
_____ Claimant Name	_____ Date
<i>patricia Ejikeme</i> By Signature	EXECUTIVE DIRECTOR Title

CLAIM VOUCHERS AND CERTIFIED INVOICES NOT PROPERLY COMPLETED WILL BE RETURNED TO YOU UNPAID.

Vendors may download claim form NIFS560 at the following URL:

<http://www.nassaucountyny.gov/agencies/Comptroller/Docs/PDF/ClaimVoucherFormBlank.pdf>

RETENTION OF BID: Vendor is required to make a copy of his completed bid document and applicable attachments. Any purchase orders issued against this bid will refer to the bid and attachments to designate items awarded.

METHOD OF BIDDING: Please submit unit price in the appropriate column.

PRICE DISCREPANCY: In the event of a discrepancy between the unit price and the extension price, the unit price will govern.

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	BIDDER	TITLE

PRODUCT IDENTIFICATION: If a product(s) is identified by a BRAND NAME, a substitute of equal quality, construction, finish, composition, size, workmanship and performance characteristics may be acceptable. In submitting a bid, each bidder warrants that the substitute product being offered is an equal. Bid sheets shall be so noted of the manufacturer's name and brand of the product offered as an equal. If as a result of an award, a delivery is made of a brand or product represented as an equal which is subsequently deemed to be unacceptable, the Contractor shall be

required, at his expense, to pick up the rejected item and replace it with brand(s) listed in this bid, or an acceptable equal which will have the approval of the Director.

PROTECTION FROM CLAIM AGAINST "OR EQUAL": In the event of any claim by any unsuccessful bidder concerning or relating to the issue of "equal or better" or "or equal", the successful bidder agrees, at his own cost and expense, to defend such claims or claims and agrees to hold the County of Nassau free and harmless from any and all claims for loss or damage arising out of this transaction for any reason whatsoever.

EQUIVALENT BIDS: Bidders may offer a product of the same capability, but of different manufacture and model than that specified in this bid. The use of the name of a manufacturer, brand, make or catalog designation in specifying items described herein does not restrict or preclude bidders from offering equivalent or better product bids. Such a designation is used only to indicate the character, quality and minimum performance desired. Equal or better product bids are permissible. A bidder submitting an equal or better product shall, at his own cost and expense be responsible for submitting proof and/or a demonstration of equivalence, compatibility and performance. However, acceptance of an equivalent product shall be strictly at the discretion of the Director. Any omission of the term "or equal" in any specific bid item listing should be disregarded by the bidder. All bidders shall have an absolute right to submit "equivalent" bids notwithstanding any other provision of the bid specifications.

ADDITIONAL BIDS: The County reserves the right, for any un-contemplated additional requirements of extraordinary quantities of particular items to call for new bids, therefore, whenever in the opinion of the Director of the Office of Purchase it is in the best interests of the County of Nassau to do so.

APPROXIMATE QUANTITIES: The estimated usage quantities or estimated annual dollar value, when indicated, are merely estimated quantities based on experience and are given for information purposes only. The County will not be compelled to order the total estimated amount of any item; but the quantity to be ordered will be such as may be actually required by the respective County Department s during the period specified. Additional quantities of any items or quantity specified therein may be ordered during the period of the Blanket Order at the prices indicated.

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patricia jikema
BIDDER

EXECUTIVE DIRECTOR

TITLE

COMPREHENSIVE AND GENERAL LIABILITY AND HOLD HARMLESS: The Contractor agrees to indemnify and hold harmless the County of Nassau, its agents, officers and employees against any and all claims, causes of action, costs, and liabilities, in law or in equity, of every kind and nature whatsoever, directly or proximately resulting from any act of omission or commission of Contractor, its officers, agents, or employees. Contractor shall, at Nassau County's demand, defend at its own risk and expense any and all suits, actions or legal proceedings which may be brought or instituted against Nassau County, its agents, officers, or employees on any such claim, demand or cause of action, and Contractor shall pay and satisfy any judgment or decree which may be rendered against Nassau County, its agents, officers, or employees in any such suit, action or legal proceeding.

The Contractor shall obtain from an insurance company authorized to do business in the State of New York, and keep in force during the term of any agreement, a policy of Comprehensive and General Liability Insurance naming the Contractor as an insured, and naming the County of Nassau as an additional insured, including, but not limited, to the torts and negligence of Contractor's personnel, with a combined single minimum limit of three million dollars (\$3,000,000.00) for bodily injury and property damage for any one occurrence at the Contractor's sole cost and expense. Evidence of insurance may be required prior to Notice of Award or issuance of a Purchase Order.

The Contractor shall comply with all provisions of the Workers' Compensation Law and shall furnish a certificate showing evidence of current coverage.

Bidder shall list below the Insurance Company(s) holding the following documents:

A) Certificate of Insurance name the County of Nassau as co-insured: _____

Or

B) Certificate of Insurance with indemnification agreement (hold harmless clause): HISCOX INSURANCE COMPANY, INC

INSURANCE AND WORKERS COMPENSATION: The successful bidder agrees to obtain from an insurance company, authorized to do business in the State of New York, and keep in force during the term of any agreement, a policy of Comprehensive and General Liability Insurance naming the Contractor as an insured, and naming the County of Nassau as an additional insured, including but not limited to the torts and negligence of Contractor's personnel, with a combined minimum single limit of three million dollars (\$3,000,000.00) for bodily injury and property damage for any one occurrence at the Contractor's sole cost and expense. Evidence of insurance may be required prior to Notice of Award or issuance of a Purchase Order.

The Contractor shall comply with all provisions of the Workers' Compensation Law and shall furnish a certificate showing evidence of current coverage.

PRODUCT LIABILITY INSURANCE: The successful bidder agrees to obtain from an insurance company authorized to do business in the State of New York, and keep in force during the term of an agreement, a policy of Product Liability Insurance, including foreign objects, with a combined minimum single limit of one million dollars (\$1,000,000.00) for each occurrence, at the Contractor's sole cost and expense, and shall furnish a certificate showing evidence of current coverage. Evidence of insurance may be required prior to Notice of Award or issuance of a Purchase Order.

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ALTERNATIVE ITEM: In submitting a bid on a commodity other than as specified, bidder shall furnish complete data and identification with respect to the alternate commodity he proposes to furnish. Consideration will be given to proposals submitted on alternate commodities to the extent that such action is deemed to serve the best interests of the County. If a bidder does not indicate that the commodity he proposes to furnish is other than as specified, it will be construed to mean that the bidder proposes to furnish the exact commodity as described. Consideration of the alternate shall be at the sole discretion of the Director. **MORE THAN ONE (1) BID ON EACH ITEM WILL NOT BE CONSIDERED, UNLESS OTHERWISE SPECIFIED BY THE COUNTY.**

REPLACEMENT PARTS: The requirements specified herein represent, for the most part, replacement and/or repair components to existing and presently owned equipment, and must match and inter-member without modification with the equipment and systems indicated.

ADDITIONAL BIDS: The County reserves the right, for any un-contemplated additional requirements of extraordinary quantities of particular items to call for new bids, therefore, whenever in the opinion of the Director of the Office of Purchase it is in the best interests of the County of Nassau to do so.

NON-ASSIGNMENT: In accordance with Section 138 of the State Finance Law, the contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of Nassau County and any attempts to assign the contract without the County's written consent are null and void.

NON PERFORMANCE

The Contractor agrees that in the event any of the services provided for under the terms of this contract should in any way be omitted or unsatisfactorily performed by the Contractor and/or his employees, the county shall so notify the contractor verbally and follow with a written notification of the deficient services for immediate correction. In the event the Contractor does not correct the deficient services after receipt of written notification, the Nassau County Department concerned will deduct a percentage based on the work not performed or performed unsatisfactorily from the Contractor's claim for the period covered. If the Contractor continues to omit or unsatisfactorily perform the required services, the County will arrange for the work to be done by another contractor and the cost of such work shall be deducted from any monies due or that may become due to the Contractor.

DISCLAIMER

Any Blanket Purchase Order issued as a result of this bid will establish terms and conditions pursuant to which certain materials and/or services are to be supplied or performed, from time to time, for a specified period upon issuance by the County of Delivery Orders. The Blanket Purchase Order is non-exclusive and the County is not bound to purchase, and no materials are to be delivered or services performed without a Delivery Order. The County shall be under no obligation whatsoever to issue such Delivery Orders. The Blanket Purchase shall not apply in any way to items of material or service deemed by the County in its sole discretion to be extraordinary or involve any special conditions, quantities, circumstances or complexities.

EVALUATION:

The Director of the Office of Purchasing (hereinafter known as the Director) reserves the right before making award to make investigations as to whether or not the items, qualifications, services or facilities offered by the Bidder meet the requirements set forth herein and are ample and sufficient to insure the proper performance in the event of an award. The Bidder must be prepared, if requested by the Director, to present evidence of experience, ability and financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which he his bidding. Upon request of the Director of Purchasing, successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bids are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the foregoing shall mean or imply that it is obligatory upon the Director to make any examinations before award; and it is further understood that, if such examination is made, it in no way relieves the Bidder from fulfilling all requirements and conditions of the bid.

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patricia jikame
BIDDER

EXECUTIVE DIRECTOR

TITLE

NOTICE

READ THIS PAGE OF THE BID CAREFULLY

ALL BIDDERS MUST COMPLY WITH THIS REQUIREMENT OR YOUR BID WILL BE AUTOMATICALLY REJECTED

RIGHT TO KNOW LAW AND "OSHA"

PURSUANT TO ARTICLE 28, SECTION 876 OF THE LABOR LAW OF THE STATE OF NEW YORK, THE COUNTY OF NASSAU HAS MANDATED EMPLOYER'S RESPONSIBILITY TO PROVIDE NOTICE TO EMPLOYEES REGARDING TOXIC SUBSTANCES. TO SATISFY THIS MANDATED REQUIREMENT, WE MUST ASK FOR YOUR COOPERATION. SOME OF THE MATERIAL ON THIS BID MAY CONTAIN TOXIC SUBSTANCES. THEREFORE, YOU MUST SUBMIT, WITH YOUR BID, "**MATERIAL SAFETY DATA SHEETS**" FOR ALL MATERIALS TO BE SUPPLIED PURSUANT TO THIS BID.

FAILURE TO PROVIDE THIS INFORMATION WITH THE BID WILL RESULT IN
AUTOMATIC REJECTION OF THE BID.

IF YOUR PRODUCT **DOES NOT** CONTAIN TOXIC SUBSTANCES, PLEASE SIGN THE FOLLOWING CERTIFICATION:

CERTIFICATION:

I HEREBY CERTIFY THAT I HAVE READ THE NASSAU COUNTY NOTICE, AND FURTHER CERTIFY THAT ITEMS NUMBERED
BID#: 64060-03152-037 DO NOT CONTAIN ANY TOXIC SUBSTANCES.

X patricia Eikeme
Signature

EXECUTIVE DIRECTOR
Title

3/1/2022
Date

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EXECUTIVE DIRECTOR
TITLE

ACCESS CLAUSE: Contractor, including its satellites, offices and/or subcontractors, if any, shall maintain full and complete books and records of accounts pertaining to this agreement, in accordance with accepted accounting practices and such other records as may be reasonably prescribed by the County of Nassau. Such books and records shall at all times be available for audit and inspection by the completion of all the services described in this agreement. Contractor further agrees that if any provision of Section 952 of the Omnibus Reconciliation Act of 1980 (PL-96-499) is found by a body of competent jurisdiction to be applicable to this contract, the Contractor agrees that it will make available upon written request by the Secretary of Health and Human Services, or the Comptroller General of the General Accounting Office, or any of their duly authorized representatives, a copy of this contract and any executed amendments thereto documents which relate to the calculation of the charges stated in the contract and copies of service reports documenting services performed. Such records will be available in accordance with the above for the period of six (6) years after the furnishing of any of the services described in this contract.

TERMINATION PREROGATIVE: The Director reserves the right to cancel the Blanket Order by giving not less than thirty (30) days written notice that, on or after a date therein specified, the contract shall be deemed terminated and cancelled.

VENDOR RESPONSIBILITY CRITERIA: The Director of Purchasing reserves the right before making an award to make investigations as to whether or not the qualifications, services, facilities or items offered by the bidder meet the requirements set forth herein and are ample and sufficient to ensure the proper performance in the event of an award. The bidder must be prepared, if requested by the Director of Purchasing, to present evidence of experience, ability, financial standing, as well as a statement as to plant, machinery, trained personnel and capacity for the rendition of the service on which the vendor is bidding. Upon request of the Director, the successful bidder shall file certification from the manufacturer relative to authorization, delivery, service and guarantees. If it is found that the conditions of the bid are not complied with or that the services or equipment proposed to be furnished do not meet the requirements called for, or that the qualifications, financial standing, or facilities are not satisfactory, the Director may reject such bids. It is distinctly understood, however, that nothing in the forgoing shall mean or imply that it is obligatory upon the Director to make any examinations before an award; and it is further understood that, if such examination is made, it in no way relieves the bidder from fulfilling all requirements and conditions of the bid.

IMPORTANT NOTE: The Director reserves the right to accept or reject any and all bids, or separable portions of offers, and waive technicalities, irregularities, and omissions if the Director determines the best interests of the County of Nassau will be served. The Director, in his sole discretion, may accept or reject illegible, incomplete or vague bids and his decision shall be final. A conditional or revocable bid which clearly communicates the terms or limitations of acceptance may be considered and contract award may be made in compliance with the bidder's conditional or revocable terms in the offer. Prior to award, the Director reserves the right to seek clarifications, request bid revisions, or to request any information deemed necessary for proper evaluation of bids from all bidders deemed to be eligible for contract award. Failure to provide requested information may result in rejection of the bid.

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EXECUTIVE DIRECTOR

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NON-COLLUSIVE BIDDING CERTIFICATION REQUIRED BY SECTION 139-D OF THE STATE FINANCE LAW

BY SUBMISSION OF THIS BID, BIDDER AND EACH PERSON SIGNING ON BEHALF OF BIDDER CERTIFIES, AND IN THE CASE OF A JOINT BID, EACH PARTY THERETO CERTIFIES AS TO ITS OWN ORGANIZATION, UNDER PENALTY OR PERJURY, THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF:

- [1] The prices of this bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purposes of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor;
- [2] Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by the Bidder prior to opening, directly or indirectly, to any other Bidder or to any competitor; and
- [3] No attempt has been made or will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

A BID SHALL NOT BE CONSIDERED FOR AWARD NOR SHALL ANY AWARD BE MADE WITH [1], [2], [3] ABOVE HAVE NOT BEEN COMPLETE WITH; PROVIDED HOWEVER, THAT IF IN ANY CASE THE BIDDER(S) CANNOT MAKE THE FOREGOING CERTIFICATION, THE BIDDER SHALL SO STATE AND SHALL FURNISH BELOW A SIGNED STATEMENT WHICH SETS FORTH IN DETAIL THE REASONS THEREFORE:

[AFFIX ADDENDUM TO THIS PAGE IF SPACE IS REQUIRED FOR STATEMENT]

Subscribed to under penalty of perjury under the laws of the State of New York,

this 1 day of MARCH, 2022 as the act and deed of said Corporation or Partnership.

Identifying Data:

Potential Contractor: PATIFCO CORPORATION

Address: _____

Street: 5 HEATHERWOOD COURT

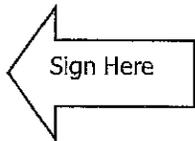
City, Town, etc: DIX HILLS, NEW YORK 11746

Telephone: (631) 697-7137 Title: _____

If applicable, responsible Corporate Officer

Name PATRICIA EJKEME Title EXECUTIVE DIRECTOR

Signature: *patricia Ejikeme*



FAILURE TO COMPLETE THIS FORM AND SIGN IN APPROPRIATE PLACE SHALL RESULT IN AUTOMATIC REJECTION OF THE BID.

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BIDDER SIGN HERE *patricia Ejikeme*
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EXECUTIVE DIRECTOR
TITLE

b. Request for a Waiver The following procedures have been established by the County Executive for requesting a waiver of the provisions of the Living Wage Law:

- i. Request for a waiver must be made to the Nassau County Office of Compliance. Since a waiver request must be made by a County Contractor who already has a contract with the County to provide services, a request for a waiver may only be made after the contract in question is entered into with the County.
- ii. A request for a waiver must be made on the approved form designated "Request for Waiver of the Provisions of the Nassau County Living Wage Law." This form is attached to these rules. Additional forms may be requested by contacting the agency with which the requesting organization has a contract.
- iii. Except for those requesting organizations with County Service Contracts listed in section 4(b)(iv)(E)(3) below, those requesting organizations which plan to request a waiver once a County Service Contract has been entered into must include, in their bid or proposal for the specific County Service Contract, a budget breakdown stating the amount of the budget allocated to wages (*assuming the Living Wage Law applies*), and the amount of the budget allocated to services and other contract expenses.

A. In any budget breakdown submitted, the requesting organization must include only those employees who are included within the definition of "Employee" described above.

B. Those County contractors who have been awarded a contract through Executive Order No. 1 of 1993, a state or federal grant, General Municipal Law section 104, or any other state or federal rule or regulation must submit the above budget breakdown to the contracting agency before such contract is entered into with the County in order to be eligible for a waiver.

iv. A waiver request must contain the following information:

A. The name of the organization

B. The address of the organization

C. A brief description of the contract which the waiver pertains to.

D. The name and email address of the Chief Executive Officer of the requesting organization

E. The criteria (hereinafter, the "Criteria") for qualifying for a waiver under the provisions of the Law. Currently, a requesting organization must meet either Criteria 1, 2 or 3 below, and, if Criteria 1, 2 or 4 are cited, must meet Criterion 5 below:

1. The highest paid officer or employee of the requesting organization earns a salary which, when calculated on an hourly basis, is less than six times the lowest wage or salary paid by the requesting organization.

OR

2. Compliance with the requirements of the Living Wage Law will directly increase the requesting organization's expected total annual budget in an amount greater than ten percent of the prior fiscal year's budget.

OR

3. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would exceed the amount, per hour or per diem (as the case may be), reimbursed to the County by any State or Federal Source:

Services under the Expanded In-Home Services for the Elderly Program (EISEP)

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Foster care services under the New York Social Services Law.
Residential domestic violence services under the New York Social Services Law.
Residential care, educational and vocational training, physical and mental health services, and employment counseling services to residents of the Juvenile Detention Center under the New York Executive Law.

OR

4. The requesting organization is providing any of the following services to the County and compliance with the Living Wage Law would increase the County Service Contract's budget by greater than ten percent over the budget for the requesting organization's County Service Contract for the previous contracting year:

- i. Non-residential domestic violence services under the New York Social Services Law.
 - ii. Services under the Home Energy Assistance Program (HEAP)
- Preventive services for children pursuant to the New York Social Services Law
Non-Secure detention services pursuant to the New York Executive Law.

AND (if Criteria 1, 2 or 4)

5. When the requesting organization placed a bid or submitted a proposal for the county service contract at issue, it must have submitted a budget which included a breakdown of the wages paid to employees of the requesting organization who would be covered under the Living Wage Law.

F. A statement that, if a waiver is granted, the requesting organization will decrease its budgeted wage allocation to that amount the requesting organization would have paid its employees had the requirements of Living Wage Law not been applied. The amount to be paid by the County to the requesting organization will be reduced accordingly by contract amendment.

G. The notarized signature of the requesting organization's Chief Executive Officer.

v. A request must be accompanied by documentation supporting the Criteria claimed by the requesting organization.

A. If Criteria (1) is cited in the request, the requestor must include a statement, certified by the chief financial officer of the requesting organization as true and accurate, of the wages paid, on an hourly basis, of the highest and lowest paid individuals employed by the requesting organization.

B. If Criteria (2) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the last fiscal year along with a copy of the organization's expected budget taking into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

C. If Criteria (4) is cited in the request, the requestor must provide a copy of the requesting organization's budget for the County Service Contract for the prior agreement year along with the requesting organization's budget for the County Service Contract for the current agreement year which takes into account increases in salary as a result of compliance with the Living Wage Law. Both budgets must be certified as complete and accurate by the chief financial officer of the requesting organization.

vi. The request form and all documentation must be sent to the following address:

County of Nassau Office of Compliance
Attention: Living Wage Waiver Request Office
One West Street – 4th Floor
Mineola, New York 11501

c. Waiver and Procurement

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TITLE

i. As a waiver may only be requested once a County Service Contract has been entered into, no waiver application may be submitted by any organization submitting a bid or proposal to the County for a County Service Contract.

ii. The fact that a waiver may be granted to an organization submitting a bid or proposal to the County for a County Service Contract will not be a consideration in evaluating such bid or proposal.

d. Review Procedures

i. Review of a request for a waiver must be made by the Office of Compliance.

ii. Approval of a request is dependent on the requestor satisfying either criteria (1), (2) or (3) in section 4(b)(iv)(E) above and, if citing criteria (1), (2) or (4), criterion (5) in section 4(b)(iv)(E) above. Applications not satisfying these criteria, or incomplete applications, will not be approved. However, complete applications that do meet these criteria shall be approved by the Office of Compliance.

iii. The Office of Compliance shall inform the requestor of his or her decision to grant or deny a request in writing within thirty days of receipt of the request. A copy of the grant or denial shall be transmitted to the County Comptroller for the purposes of monitoring compliance with the Living Wage Law.

iv. During such thirty day period, the requestor must continue to abide by the provisions of the Living Wage Law. Failure to do so may result in action by the Office of the Nassau County Comptroller to enforce the provisions of the Law.

e. Post-Award Review

i. After the County grants a waiver, if at any time during the term of the County Service Contract the requesting organization alters its budget or wages such that the organization no longer qualifies for a waiver of the Living Wage Law, the requesting organization must contact the County department with which it contracts and inform such department of such alteration.

ii. If a County department is contacted in reference to such a change, the department must either:

Amend the County Service Contract in question to restore any funding subtracted from the contract as a result of a waiver of the Living Wage Law and receive from the Contractor a completed Certificate of Compliance; or

Terminate such Contract according to its terms.

See Living Wage Law, § 9 "Waiver"

5. Inter-Governmental Agreements

a. The Living Wage Law shall not apply to those County Service Contracts which are entered into with any municipal corporation located within the County, any school district located within the County, and any special district located within the County.

b. County Financial Assistance Agreements and County Leases. The Living Wage Law shall not apply to a County Financial Assistance Agreement or a County Lease in the event that application of the law would conflict with the application of a federal, state or local law, rule, regulation or ordinance. For the purposes of this Rule, the Living Wage Law would not apply to a County Financial Assistance Agreement or County Lease where funding for the Agreement or Lease is derived from a Federal or state grant where the distribution of such grant funds to certain subrecipients is mandatory and non-discretionary.

See Living Wage Law, § 1 "County Service Contract," "Inter-governmental Agreement;" § 3 "Minimum Compensation;" §10 "Other Provisions"

6. Certification of Compliance

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TITLE

a. An updated certification of compliance with the provisions of the Living Wage Law shall be submitted to the County on or before the first day of each agreement year during the term of any County Service Contract.

b. For the purposes of updating a certification of compliance, a "material change" as used in the Law shall be limited to the following:

i. Any determination by the County Comptroller that the contractor has violated any provision of the Law.

ii. Any instance during the preceding year in which the contractor has been found by a court or governmental agency to have violated federal state or local laws regulating payment of wages or benefits, labor relations or occupational safety and health, or where any governmental body has initiated a judicial action, administrative proceeding or investigation of the contractor in regard to any of the above laws.

See Living Wage Law, § 5 "Certification of Compliance"

7. Nassau County Employees

a. All Nassau County Employees are covered by the provisions of the Living Wage Law, provided, however, that Nassau County Employees covered by the collective bargaining agreement between the County and the Civil Service Employees Association are not entitled to receive the benefits supplement rate as the term is defined in the Law. The provisions of the Law also extend to paid interns hired by the County.

b. The Living Wage Law does not apply to volunteer workers utilized by the County pursuant to the County's authority to use volunteer workers under § 2105 of the Nassau County Charter. As such, the Law does not cover unpaid interns utilized by the County.

See Living Wage Law, § 1 "Employee," "Employer;" § 10 "Other Provisions"

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

The chief executive officer of the Contractor is:

PATRICIA EJKEME	(Name)
<hr/>	
5 HEATHERWOOD COURT, DIX HILLS, NEW YORK 11746	(Address)
<hr/>	
(631) 697-7137	(Telephone Number)
<hr/>	

The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

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BIDDER SIGN HERE	<u>patricia Ejkeme</u>	EXECUTIVE DIRECTOR
	BIDDER	TITLE

In the past five years, Contractor _____ has X has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has X has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

3/1/2022 _____

patricia Ejekeme

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patricia Ejekeme

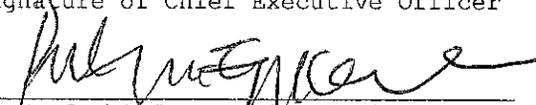
BIDDER

EXECUTIVE DIRECTOR

TITLE

Dated

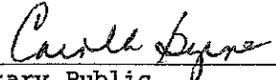
Signature of Chief Executive Officer



Name of Chief Executive Officer

Sworn to before me this

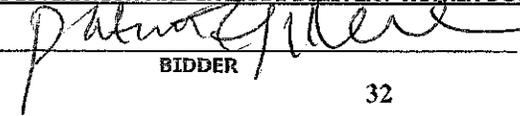
9th day of MARCH, ~~2000~~ ²⁰²².



Notary Public

CAROL A. BYRNE
NOTARY PUBLIC, State of New York
No. 52-4800232 Suffolk County
Term Expires July 30, 20~~25~~

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GENERAL INSTRUCTIONS: All bidders must adhere to the following conditions:

As per New York State Municipal Law 103, no exception can be taken to any material term and/or condition of this bid with the exception of any warranties as presented in this bid for the specific commodity or service required.

Any language in any proposal or document submitted by a bidder as part of their bid that is accepted by the County of Nassau cannot be in conflict with any material term and/or condition relevant to this bid with the exception of any warranties or the specifications of the commodity of service required by this bid. If there is any conflict between the bidder's terms and conditions and the terms and conditions of this bid, the terms and conditions of this bid shall govern.

Bidders must insert **FEDERAL IDENTIFICATION NUMBER** in the space provided on page one of this bid.

Late Formal Sealed Bids will NOT be accepted. Bidders are urged to mail bids early to assure delivery on time. Bids must be received by 11:00 A.M. on the bid opening date.

Prices **MUST** be inserted with **TYPEWRITER OR INK**. Entries with **WHITE OUT, CROSS-OUTS OR LIFT-OFF TAPE** **MUST BE INITIALED** or that entry will be disqualified.

Bidders should submit bid with unit price in the appropriate column on bid pages or forms attached hereto. In the event of a discrepancy between the unit price and the extension, the unit price shall govern. Bidders shall submit one (1) original bid document and all applicable attachments. Any order issued against this bid will refer to the bid and attachments to designate items awarded. Bidders agree that all, Direct Purchase Orders and/or Purchase Orders shall be effective and binding upon the Contractor when placed in the mail, addressed to the Contractor at the address shown on the Direct Purchase Order or the Purchase Order.

Bidders **MUST** state manufacturer's name and catalog number of each item bid.

ABSOLUTELY NO MINIMUM ORDERS shall be applied to this bid.

Purchases made by Nassau County are not subject to State or Local Sales Tax or Federal Excise Taxes.

Federal Exemption Number: A-109538 **State Exemption Number: EX 7213062C**

Inside (receiving dock) delivery is required on all orders.

The rights and obligations of the parties under this agreement shall be governed by the laws of the State of New York.

Bids are hereby solicited for the commodities and/or services specified herein which are to be delivered and/or performed at the locations indicated, and in strict accordance with all specifications, terms and conditions attached hereto and made part hereof.

Bid document must be signed by proprietor, partner or corporate officer.

The clauses contained in these bid forms set forth the wishes of the County of Nassau in regard to the purchase and/or services required. However, the Director reserves the right to waive irregularities, omissions, or other technical defects if, in its judgment, the best interest of the County of Nassau will be served accordingly.

Bidders may take exception to paragraphs of the bid under a separate cover letter to be attached to this bid, indicating the specific bid page, paragraph and the exception(s). In any event, the decision of the Director will be final.

Qualification statement **MUST BE COMPLETED** and submitted with bid. See page 4 for further details

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RECORD RETENTION: Contractor shall retain complete and accurate records and documents related to this Agreement for six (6) years following the later of termination or final payment. Such records shall at all times be available for audit and inspection by the County.

Governing Law – Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

Approximate yearly usage \$400,000.00

NOTE TO ALL BIDDERS:

1. **THE FOLLOWING WILL BE MAJOR FACTORS IN DETERMINING BID AWARDS:**
 - A. **DUE TO EMERGENCY PICK UPS BY COUNTY AGENCIES, ADEQUATE STOCK MUST BE KEPT ON HAND AT VENDOR'S FACILITY.**
 - B. **DELIVERY TIME.**
 - C. **INSPECTION OF BIDDERS FACILITY BY NASSAU COUNTY OFFICE OF PURCHASING TO VERIFY CAPABILITY OF HANDLING AWARDS.**
2. **THERE IS NO MINIMUM DOLLAR VALUE FOR DELIVERY ORDERS THAT MAY BE PLACED AGAINST ANY BLANKET ORDER THAT RESULTS FROM THIS BID. THE SUCCESSFUL VENDOR MUST HONOR ALL DELIVERY ORDERS RECEIVED.**

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patricia Ekeheme
BIDDER

EXECUTIVE DIRECTOR

TITLE

PAPER TOWELS AND DISPENSERS

Item No.	Unit	Description	Unit Price	Total
1)	*	case		
		640-75-712-303 MULTIFOLD - WHITE	\$ <u>21.79</u>	\$ _____
		BASIC WEIGHT (#/3000 FT. ²): 24.5 - 25 pounds		
		MD DRY TENSILE (g/3"): 6,000		
		CD DRY TENSILE (g/3"): 2,500		
		MD STRETCH (%): 1.5% TO 2.0%		
		TOWEL SIZE: 9.5" x 9.25"		
		PACK: 250 TOWELS/16PACKS/CASE		
		TOWELS/CASE: 4,000		
		CASE WEIGHT: 19.1 POUNDS		
		BRIGHTNESS 69-72		
		SCA #MB530 OR EQUAL		

OR Alternative STATE MFG. & CAT. # OFFERED: SCA #MB530
 CASCADES PRO H170 - HT MF SELECT 16/250/1 WHITE -----\$19.77

2)	*	case		
		640-75-803-851 PAPER TOWELS - HANDS FREE SYSTEM	\$ <u>38.69</u>	\$ _____
		<u>TORKMATIC SYSTEM, WHITE #290089</u> TORKMATIC		
		6 ROLLS PER CASE, 884 SHEETS PER ROLL		
		SHEET SIZE - 7.875" X 9.5" TORK- WHITE #290089		

3)	*	each		
		485-46-260-004 *TORKMATIC DISPENSER #309201	*NO CHARGE	
		DIMENSIONS 12.6" X 8" X 14.6"	(SEE NOTE BELOW)	

STATE MFG. & CAT. # OFFERED: TORK #309201

*FOR NEW LOCATIONS ONLY – ONE (1) DISPENSER WILL BE SUPPLIED ON LOAN AT NO CHARGE WITH THE PURCHASE OF (5) CASES OF TORKMATIC TOWELS. THESE DISPENSERS WILL BE ON LOAN TO NASSAU COUNTY AND ARE TO BE REQUESTED ONLY AS NEEDED – NOT TO BE ORDERED FOR STOCKING PURPOSES – DISTRIBUTION WILL BE COORDINATED BY THE AWARD WINNING VENDOR. (CURRENTLY APPROXIMATELY 1300 ON LOAN AT VARIOUS NASSAU COUNTY LOCATIONS)

IMPORTANT NOTE: THE PRESENT DISPENSERS ARE NOT OWNED BY NASSAU COUNTY, BUT ARE THE PROPERTY OF THE CURRENT VENDOR.

CHANGE OF VENDOR: WHERE THERE IS A CHANGE OF VENDORS AS A RESULT OF THE AWARD, IT SHALL BE THE RESPONSIBILITY OF THE NEW VENDOR TO REPLACE ALL THE EXISTING DISPENSERS IN ALL NASSAU COUNTY AGENCIES AND BUILDINGS WITHIN (30) DAYS. THE NUMBER OF DISPENSERS THAT MUST BE REMOVED AND REPLACED WILL BE APPROXIMATELY 1,300. VENDOR TO REPLACE DISPENSERS AT NO COST TO NASSAU COUNTY.

THE CURRENT VENDOR MAY REMOVE EXISTING DISPENSERS WITHIN (30) DAYS OF THE EXPIRED CONTRACT AT NO COST TO NASSAU COUNTY.

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 BIDDER

EXECUTIVE DIRECTOR

TITLE

PAPER TOWELS AND DISPENSERS (CONTINUED)

Item No.	Unit	Description	Unit Price	Total
6)	*	case		
		640-75-803-850 WHITE ROLL TOWEL ROLL DIAMETER - 5.6" CORE SIZE - 2" LINEAR FEET PER CASE - 4200' CASE WEIGHT 34 LBS. BASIS WEIGHT 25.2 - 26 LBS. MD DRY TENSILE STRENGTH (g/3") - 4000 CD DRY TENSILE STRENGTH (g/3") - 1200 MD STRETCH (%) 5% BRIGHTNESS - 69-72 12 ROLLS/CASE SCA - #RB3512/PRIME SOURCE 75004321	\$24.69	\$

STATE MFG. & CAT. # OFFERED: CASCADES PRO-SELECT #H230

7)	*	case		
		640-85-252-501 WIPERS – TISSUE TYPE FOR CLEANING AND POLISHING INSTITUTIONAL AND INDUSTRIAL EQUIPMENT. WHITE, KIMWIPES 15"x17" - 140 WIPERS/BOX 15 BOXES/CASE KIMBERLY CLARK #34256, OR EQUAL	\$98.15	\$

STATE MFG. & CAT. # OFFERED: KIMBERLY CLARK #34256

PHYSICAL CHARACTERISTICS OF ITEMS 1, 2, 4 & 5 SHOULD BE SOFT, FULLY BLEACHED, WET STRENGTH.

FIBER CONTENT: 100% RECYCLED - MINIMUM 40% POST CONSUMER WASTE

PAPER FORMATION: MUST BE FREE OF BREAKS, HOLES OR WRINKLES

CLEANLINESS: MUST CONTAIN NO DARK SPOTS, SLIVERS OR OTHER MATTER AFFECTING APPEARANCE OR SERVICEABILITY.

ABSORPTION TIME: 20 SECONDS OR LESS

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EXECUTIVE DIRECTOR

TITLE

TOILET PAPER (CONTINUED)

Item No.	Unit	Description	Unit Price	Total
9)	*1 case	TOILET PAPER ROLLS, COMPACT, CORELESS, 2 PLY WHITE, SHEET SIZE 3-6/7" X 4 IN" - 1000 SHEETS PER ROLL ROLL LENGTH 333 FT. - CORE DIA. 1/2 INCH 36 ROLLS PER CASE GEORGIA PACIFIC #19375 OR EQUAL STATE MFG. & CAT. # OFFERED: <u>GEORGIA PACIFIC #19375</u>	\$44.31	\$ _____
10)	* each	TOILET TISSUE DISPENSER/CORELESS PLASTIC - COLOR: SPLASH BLUE CAPACITY 4 ROLLS, HEIGHT 13-1/4 IN. WIDTH 11-3/4 IN. - DEPTH 7 IN. GEORGIA PACIFIC #56743 OR EQUAL STATE MFG. & CAT. # OFFERED: <u>GEORGIA PACIFIC #56743</u>	*NO CHARGE	

*FOR NEW LOCATIONS ONLY - ONE (1) DISPENSER WILL BE SUPPLIED ON LOAN AT NO CHARGE WITH THE PURCHASE OF (5) CASES OF GEORGIA PACIFIC #19375 TOILET TISSUE. THESE DISPENSERS WILL BE ON LOAN TO NASSAU COUNTY AND ARE TO BE REQUESTED ONLY AS NEEDED - NOT TO BE ORDERED FOR STOCKING PURPOSES - DISTRIBUTION WILL BE COORDINATED BY THE AWARD WINNING VENDOR. (CURRENTLY APPROXIMATELY 450 ON LOAN AT VARIOUS NASSAU COUNTY LOCATIONS)

IMPORTANT NOTE: THE PRESENT DISPENSERS ARE NOT OWNED BY NASSAU COUNTY, BUT ARE THE PROPERTY OF THE CURRENT VENDOR.

CHANGE OF VENDOR: WHERE THERE IS A CHANGE OF VENDORS AS A RESULT OF THE AWARD, IT SHALL BE THE RESPONSIBILITY OF THE NEW VENDOR TO REPLACE ALL THE EXISTING DISPENSERS IN ALL NASSAU COUNTY AGENCIES AND BUILDINGS WITHIN (30) DAYS. THE NUMBER OF DISPENSERS THAT MUST BE REMOVED AND REPLACED WILL BE APPROXIMATELY 450. VENDOR TO REPLACE DISPENSERS AT NO COST TO NASSAU COUNTY.

THE CURRENT VENDOR MAY REMOVE EXISTING DISPENSERS WITHIN (30) DAYS AT NO COST TO NASSAU COUNTY.

Additional items can be added to this Blanket Order with written quote and amendment.

ALL BIDS MUST BE F.O.B. DESTINATION AND INCLUDE DELIVERY WITHIN DOORS UNLESS OTHERWISE SPECIFIED.

BIDDER SIGN HERE

patricia Gikema

 BIDDER

EXECUTIVE DIRECTOR

 TITLE

OFFICE OF PURCHASING
SUMMARY OF BIDS
OPENED: March 15, 2022 AT 11 A.M.
BID NO: 64075-03152-037
REQ. NO:
TITLE: Paper Towels Bathroom Tissue and Dispensers

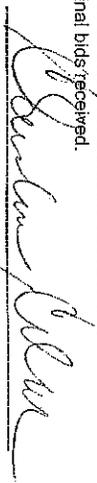
ITEM #	ARTICLE	QTY	UNIT	1	2	3	4	5	6	7	8	9	10	AWARD TO NO.	AMOUNT
1	640-75-712-303 Multifold- White	*	Case	21.79	18.86	23.55									
2	640-75-803-651 Paper Towels Hand Free System	*	Case	38.69	62.91	NB									
3	485-46-260-004 Torkmatic Dispenser	*	Each	No Charge	No Charge	No Charge									
4	White Paper Towel Roll	*	Case	50.50	38.11	NB									
5	State MFG. & Cal. # Offered Emmodon Automotive Roll Towel Dispenser No Charge	*	NC	No Charge	No Charge	No Charge									
6	640-75-803-850 White Roll Towel	*	Case	24.69	21.02	25.00									
7	640-85-252-601 Wipers - Tissue Type for Cleaning and Polishing	*	Case	98.15	108.07	NB									
8	640-75-530-805 Toilet Paper Rolls, White	*	Case	50.65	38.57	45.00									
9	Toilet Paper Rolls, Compact, Coreless, 2 Ply	*	Unit	44.31	82.94	NB									
10	Toilet Tissue Dispenser/ Coreless No Charge	*	NC	No Charge	No Charge	No Charge									
PREPARED BY				TERMS	2%	NET	NET	NET	NET	NET	NET	NET	NET	NET	NET

Patifco Corporation	United Seal USA Corp.	Central Poly-Bag Corp.													
---------------------	-----------------------	------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--

DETAILS OF AWARD

Claudia Colasurdo hereby certifies that the bids listed above were opened at the time and place specified therein and that the above is a correct transcription from all original bids received.

Date 3/15/22


PUBLIC BID OFFICER

Funaro, Timothy G

From: Roocke, Kurt
Sent: Friday, April 1, 2022 6:48 AM
To: Funaro, Timothy G
Cc: Marino, Anthony M
Subject: RE: bid

Yes, Tim you can reward items 1 and 8 they are good. Thanks Kurt

From: Marino, Anthony M <AMarino@nassaucountyny.gov>
Sent: Thursday, March 17, 2022 10:56 AM
To: Roocke, Kurt <kroocke@nassaucountyny.gov>
Subject: FW: bid

Anthony Marino
Deputy Superintendent of Buildings
Nassau County Department of Public Works
Facilities Management Unit
Eisenhower Park
Phone 516-572-0536



BRUCE A. BLAKEMAN
NASSAU COUNTY EXECUTIVE

From: Funaro, Timothy G <tfunaro@nassaucountyny.gov>
Sent: Wednesday, March 16, 2022 3:20 PM
To: Marino, Anthony M <AMarino@nassaucountyny.gov>
Subject: bid

Tony,

The formal sealed bid, bid number 64075-03152-037 Title: paper Towels Bathroom tissue and Dispensers the low bidder is a company by the name of Patifco Corp. their phone number is 631-697-7137 ask for Patricia Ejkeme I am going to award them using their option on items one and eight. Please let me know if ok to award to Patifco Corp.

Timothy Funaro
Buyer
Nassau County
Office of Purchasing
One West Street 1st floor North Entrance
Mineola, N.Y. 11501
Phone (516) 571-7720
Fax (516) 571-4263
E-Mail tfunaro@nassaucountyny.gov

Informal Bid Title:

Comparison OF Bids

bid #'s

Recommended Vendor N/A

Requisition # N/A

% and \$ amount of difference plus or minus over

Pre-Encumbrance: N/A

Pre-Encumbrance #VALUE! #VALUE!

Buyer Timothy Funaro

Purchase Order #

Vendors

line	qty	Patifco Corp.		United Sales USA Corp.		Central Poly Bag		Patifco option		Vendor #5		low bid
		unit price	extended	unit price	extended	unit price	extended	unit price	extended	unit price	extended	
1	1	21.79	21.79	18.86	18.86	23.55	23.55	19.77	19.77	0.00	0.00	18.86
2	1	38.69	38.69	62.91	62.91	0.00	0.00	38.69	38.69	0.00	0.00	38.69
3	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	1	50.50	50.50	38.11	38.11	0.00	0.00	50.50	50.50	0.00	0.00	38.11
5	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	1	24.69	24.69	21.02	108.07	25.00	25.00	24.69	24.69	0.00	0.00	24.69
7	1	98.15	98.15	108.07	38.57	0.00	0.00	98.15	98.15	0.00	0.00	0.00
8	1	50.65	50.65	38.57	82.94	45.00	45.00	40.65	40.65	0.00	0.00	40.65
9	1	44.31	44.31	82.94	82.94	0.00	0.00	44.31	44.31	0.00	0.00	44.31
10	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
sum	0		328.78		432.40		93.55		316.76		0.00	0.00
ship	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Total	328.78	Total	432.40	Total	93.55	Total	316.76	Total	0.00	0.00
Delivery	10 Days			110 Days		45 Days		10 Days				
Terms	2/20/n30			Net 30		Net 30		2/20/n30				
F.O.B.	Dest.			Dest.		Dest.		Dest.				
Vin	813829835			223877917		223246346		813829835				316.76
Tel No.	631-697-7137			718-709-5900		908-862-7570		631-697-7137				
Verbal	Patricia Ejkeme			Chumy Zinger		Abdrew Serrofer		Patricia Ejkeme				
Date	03/15/2022 sealed bid			03/15/2022 sealed bid		03/15/2022 sealed bid		03/15/2022 sealed bid				

Notes Formal Sealed Bid Number 64075-03152-037 Title: Paper Towels Bathroom Tissue and Dispensers

Award to Patifco Corp. option as the overall low bidder

* key 0= No bid



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/17/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hiscox Inc. 5 Concourse Parkway Suite 2150 Atlanta GA, 30328	CONTACT NAME: PHONE (A/C, No, Ext): (888) 202-3007 FAX (A/C, No): E-MAIL ADDRESS: contact@hiscox.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED PATIFCO CORPORATION, INC 5 Heatherwood Court DIX HILLS NY 11746	INSURER A :	Hiscox Insurance Company Inc
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		UDC-5164536-CGL-22	05/17/2022	05/17/2023	EACH OCCURRENCE \$ 3,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000						
	MED EXP (Any one person) \$ 5,000						
	PERSONAL & ADV INJURY \$ 3,000,000						
							GENERAL AGGREGATE \$ 3,000,000
							PRODUCTS - COMP/OP AGG \$ S/T Gen. Agg.
							\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED <input type="checkbox"/> NON-OWNED <input type="checkbox"/> AUTOS ONLY <input type="checkbox"/> AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input type="checkbox"/> N/A (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Nassau County are included as an additional insured subject to policy terms and conditions.

CERTIFICATE HOLDER Nassau County One West St. Mineola, NY 11501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	---



Certified: --

B-3-22

Filed with the
Clerk of the Nassau County Legislature
June 17, 2022 10:23AM

NIFS ID: CLPW22000013

Capital:

Contract ID #: CHPW16000015

NIFS Entry Date: 05/04/2022

Department: Public Works

Service: Amend 1 Traffic Signal System Operations Ph 4
H6200003E PIN 0760.81-B03-22

Term: No change in term - Amendment is for payment purposes only.

Contract Delayed: X

Slip Type: Amendment		
CRP:		
Time Extension:		
Addl. Funds: X		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	No

Vendor/Municipality Info:	
Name: Welsbach Electric Corp. of L.I. DBA: Welsbach Electric Corp. of L.I.	ID#: 112354251
Main Address: 300 Newtown Rd Plainview, NY 11803	
Main Contact: Darlene Kummer	
Main Phone: (516) 454-0023	

Department:
Contact Name: Jeff Lindgren
Address: Nassau County Dept. of Public Works 1194 Prospect Ave Westbury, NY 11590
Phone: (516) 571-6998
Email: amoore@nassaucountyny.gov, Jindgren@nassaucountyny.gov, ldionisio@nassaucountyny.gov, ekobel@nassaucountyny.gov

Contract Summary

Purpose: The contract was originally executed by Nassau County on November 1, 2016, in the amount of \$2,448,500.00. This amendment is necessary for the payment of services provided through the extension of the contract with an additional \$42,964.01. The purpose of this contract was to provide daily maintenance and operations of the County's signal communications and ITS infrastructure.

Method of Procurement: Was advertised in New York Newsday, NYS Contract Reporter and on the county's eProcurement site from February 17, 2016 until March 09, 2016. Following a review of bids, Welsbach Electric Corp of LI was determined to be the

lowest responsible bidder.

Procurement History: Was advertised in New York Newsday, NYS Contract Reporter and on the county's eProcurement site from February 17, 2016 until March 09, 2016. Two bids were received, a bid analysis was completed and Welsbach Electric Corp of LI was determined to be the lowest responsible bidder.

Description of General Provisions: The purpose of this contract is for the daily operations and maintenance of the County's Traffic Signal communication infrastructure for a three year period.

Impact on Funding / Price Analysis: The costs associated with this contract have been budgeted in the Public Works Operating Funds. This agreement is valued at \$2,448,500. The entire 36 month contract is 80% reimbursable with Federal Funding.

Change in Contract from Prior Procurement: To increase the dollar value of the contract by \$42,964.01 making the contract total \$2,491,464.01, using the Pubic Works Operating Funds. This increase will allow the County to pay Welsbach Electric's final claim and close out the project.

Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	01	0154	DE	PWGEN0154	DE554	PWGEN0154 DE554	05	\$42,964.01
TOTAL								\$42,964.01

Additional Info	
Blanket Encumbrance	
Transaction	109
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$8,592.80
Federal	\$34,371.21
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$42,964.01

Routing Slip

Department			
NIFS Entry	Elizabeth Kobel	05/04/2022 03:03PM	Approved
NIFS Final Approval	Roseann D'Alleva	05/06/2022 12:20PM	Approved
Final Approval	Roseann D'Alleva	05/06/2022 12:20PM	Approved
County Attorney			
Approval as to Form	Nick Sarandis	05/06/2022 02:00PM	Approved
RE & Insurance Verification	Andrew Amato	05/06/2022 12:23PM	Approved
NIFS Approval	Daniel Gregware	05/09/2022 12:17PM	Approved
Final Approval	Daniel Gregware	05/09/2022 12:17PM	Approved
OMB			
NIFS Approval	Nadiya Gumieniak	05/09/2022 12:02PM	Approved
NIFA Approval	Christopher Nolan	05/12/2022 05:29PM	Approved
Final Approval	Christopher Nolan	05/12/2022 05:29PM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Ari Schulman	05/13/2022 10:20AM	Approved
DCE Compliance Approval	Robert Cleary	05/25/2022 04:51PM	Approved
Vertical DCE Approval	Edward Powers	05/26/2022 10:12AM	Approved
Final Approval	Edward Powers	05/26/2022 10:12AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/17/2022 10:04AM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

B03-22

RULES RESOLUTION NO. -2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A CONTRACT AMENDMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS AND WELSBACH ELECTRIC CORP. OF L.I.

WHEREAS, pursuant to County contract number H62000-03E, for NASSAU COUNTY TRAFFIC SIGNAL SYSTEM OPERATIONS-PHASE IV- P.I.N. 0760.81, NASSAU COUNTY, NEW YORK (“Contract”) between the County and

WELSBACH ELECTRIC CORP. OF L.I. (“Contractor”), the Contractor performed services as more particularly described in the contract documents a copy of which is on file with the Clerk of the Legislature; and

WHEREAS, the County and the Contractor desire to increase the maximum amount of the Original Contract by \$ 42,964.01, such that the total Maximum Amount the County shall pay the Contractor shall not exceed \$ 2,491,464.01, (the “Amended Maximum Amount), and now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature based upon the representations of the Department and the recommendation of the Commissioner of the Department, authorizes the County Executive to award and execute the said contract amendment with the vendor.

AMENDMENT NO. 1

This AMENDMENT Number 1, (this "Amendment"), between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the Department of Public Works having its principal office at 1194 Prospect Avenue, Westbury, New York 11590 and (ii) Welsbach Electric Corp. of LI., having its principal office at 300 Newtown Road, Plainview NY 11803 (the "Firm").

WITNESSETH:

WHEREAS, pursuant to County contract number H6200003E between the County and the Firm, executed on behalf of the County on November 1, 2016 (the "Original Agreement"), the Firm performed certain services for the County in connection with the daily operations and maintenance of the County's Traffic Signal communication infrastructure for the Nassau County Traffic Management Center, which services are more fully described in the Original Agreement (the services contemplated by the Original Agreement, the "Services");

WHEREAS, the term of the Original Agreement was from November 1, 2016 through October 31, 2019 (the "Original Term") and then extended three more months to January 31, 2020.

WHEREAS, the maximum amount that the County agreed to reimburse the Firm for Services under the Original Agreement, as full compensation for the Services, was Two Million Four Hundred Forty-Eight Thousand Five Hundred Dollars (\$2,448,500.00) (the "Maximum Amount").

WHEREAS, the County and the Firm desire to amend the Maximum Amount; and,

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Amendment, the parties agree as follows:

Amended Maximum. The Maximum Amount is amended by Forty-Two Thousand Nine Hundred Sixty-Four Dollars One Cent (\$42,964.01) to an agreement maximum of Two Million Four Hundred Ninety-One Thousand Four Hundred Sixty-Four Dollars One Cent (\$2,491,464.01) ("Amended Maximum Amount).

Full Force and Effect. All other conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the amended Agreement.

Compliance with Law.

(a) Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(b) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

(c) Vendor Code of Ethics. By executing this Agreement, the Contractor hereby certifies and covenants that:

- (i) The Contractor has been provided a copy of the Nassau County Vendor Code of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
- (ii) All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
- (iii) All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
- (iv) The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;

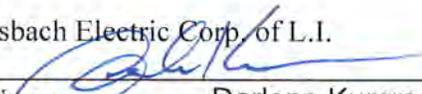
- (v) The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement; and

The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement.

{Remainder of page intentionally left blank}

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

Welsbach Electric Corp. of L.I.

By: 
Name: Darlene Kummer
Title: Vice President of Transportation
Date: June 1, 2022

NASSAU COUNTY

By: _____
Name: _____
Title: County Executive
Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Welsbach Electric Corp. of L.I.

2. Amount requiring NIFA approval: \$42,964.01

Amount to be encumbered: \$42,964.01

Slip Type: Amendment

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: to No change in term - Amendment is for payment purposes only.

Has work or services on this contract commenced? No

If yes, please explain:

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

The contract was originally executed by Nassau County on November 1, 2016, in the amount of \$2,448,500.00. This amendment is necessary for the payment of services provided through the extension of the contract with an additional \$42,964.01. The purpose of this contract was to provide daily maintenance and operations of the County's signal communications and ITS infrastructure.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

CNOLAN

05/12/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Elaine Phillips
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Welsbach Electric Corp of LI

CONTRACTOR ADDRESS: 300 Newtown Road, Plainview NY 11803

FEDERAL TAX ID #: 11-2354251

Instructions: Please check the appropriate box (“☑”) after one of the following roman numerals, and provide all the requested information.

I. The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids. The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. The contractor was selected pursuant to a Request for Proposals.

The Contract was entered into after a written request for proposals was issued on _____. Potential proposers were made aware of the availability of the RFP by advertisement in _____ interested parties and by publication on the County procurement website. Proposals were due on _____. _____ proposers requested copies of the RFP. _____ proposals were received and evaluated. The evaluation committee consisted of: _____. Following a review of the proposal, it was determined that the _____ proposal be selected and awarded.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on August 23, 2016, in the amount of \$2,448,500.00. This is an amendment to fund the project with an additional \$42,964.01.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A.** The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**
- B.** The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A.** There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B.** The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C.** Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.
- D.** Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.

Roseann Dalleva

Department Head Signature

04-04-22

Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.

Compt. form Pers./Prof. Services Contracts: Rev. 03/16

Certificate of No Change Form



All fields must be filled.

A materially false statement willfully or fraudulently made in connection with this certification, and/or the failure to conduct appropriate due diligence in verifying the information that is the subject of this certification, may result in rendering the submitting entity non-responsible for the purpose of contract award.

A materially false statement willfully or fraudulently made in connection with this certification may subject the person making the false statement to criminal charges.

I, Timothy P. Miller state that I have read and understand all the items contained in the disclosure documents listed below and certify that as of this date, these items have not changed. I further certify that, to the best of my knowledge, information and belief, those answers are full, complete, and accurate; and that, to the best of my knowledge, information, and belief, those answers continue to be full, complete, and accurate.

In addition, I further certify on behalf of the submitting vendor that the information contained in the principal questionnaire(s) have not changed and have been verified and continue, to the best of my knowledge, to be full, complete and accurate.

I understand that Nassau County will rely on the information supplied in this certification as additional inducement to enter into a contract with the submitting entity.

Vendor Disclosures

This refers to the vendor integrity and disclosure forms submitted for the vendor doing business with the County.

Name of Submitting Entity: Welsbach Electric Corp. of L.I.

Vendor's Address: 300 Newtown Rd Plainview NY US 11803

Vendor's EIN or TIN: 11-2354251

Forms Submitted: _____

Political Campaign Contribution Disclosure Form:
03/28/2022 01:43:09 PM

Lobbyist Registration and Disclosure Form:
03/28/2022 01:09:44 PM

Business History Form certified:
03/28/2022 01:20:08 PM

Consultant's, Contractor's, and Vendor's Disclosure Form:
03/28/2022 01:22:38 PM

Principal Questionnaire(s)

This refers to the most recent principal questionnaire submissions.

Principal Name	Date Certified
Timothy P. Miller[TPMILLER@EMCOR.NET]	03/04/2022 04:08:15 PM
Michele L. Valenti[MVALENTI@EMCOR.NET]	01/31/2022 04:51:59 PM
Daniel T. Piquette[DAN_PIQUETTE@EMCORGROUP.COM]	02/01/2022 07:21:07 AM
Darlene Kummer[DKUMMER@EMCOR.NET]	01/31/2022 03:45:51 PM
peter a. ronzetti[PRONZETTI@EMCOR.NET]	03/04/2022 03:26:59 PM

I, Timothy P. Miller hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I further certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES."

Timothy P. Miller TPMILLER@EMCOR.NET

Name

President / C.E.O.

Title

Welsbach Electric Corp. of L.I.

Name of Submitting Entity

03/29/2022 02:48:56 PM

Date



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Timothy P. Miller [TPMILLER@EMCOR.NET]

Dated: 03/28/2022 01:43:09 PM

Vendor: Welsbach Electric Corp. of L.I.

Title: President / C.E.O.



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

None.

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

None.

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

None.

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

None.

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

None.

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Timothy P. Miller [TPMILLER@EMCOR.NET]

Dated: 03/28/2022 01:09:44 PM

Vendor: Welsbach Electric Corp. of L.I.

Title: President / C.E.O.

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses. attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Darlene Kummer , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Darlene Kummer , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Welsbach Electric Corp. of L.I.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Darlene Kummer [DKUMMER@EMCOR.NET]

Vice President of Transportation

Title

01/31/2022 03:45:51 PM

Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Daniel T. Piquette
Date of birth:
Home address:
City: State/Province/Territory: Zip/Postal Code:
Country: US

Business Address: 300 Newtown Rd
City: Plainview State/Province/Territory: NY Zip/Postal Code: 11803
Country: US
Telephone: 5164540023

Other present address(es):
City: Plainview State/Province/Territory: NY Zip/Postal Code: 11803
Country: US
Telephone: 5164540023

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	<u>01/15/2022</u>		
(Other)			

Type	Description	Start Date
Other	Asst. Vice President	05/20/2015

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Daniel T. Piquette , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Daniel T. Piquette , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Welsbach Electric Corp. of L.I.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Daniel T. Piquette [DAN_PIQUETTE@EMCORGROUP.COM]

Vice President of Industrial/Commercial/Asst. Secretary

Title

02/01/2022 07:21:07 AM

Date

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Michele L. Valenti , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Michele L. Valenti , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Welsbach Electric Corp. of L.I.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Michele L. Valenti [MVALENTI@EMCOR.NET]

Vice President of Finance / Secretary / Treasurer /
Controller

Title

01/31/2022 04:51:59 PM

Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: peter ronzetti
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: US

Business Address: 300 newtown road
City: plainview State/Province/Territory: NY Zip/Postal Code: 11803
Country: US
Telephone: 516 4540023

Other present address(es):
City: oyster bay State/Province/Territory: Zip/Postal Code: 11771
Country: US
Telephone: 6462086821

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	<u>10/01/2021</u>		
(Other)			

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES NO If Yes, provide details.

numerous government contracts

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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Welsbach Electric Corp. of L.I.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

peter a. ronzetti [PRONZETTI@EMCOR.NET]

Executive Vice President Chief Operating Officer

Title

03/04/2022 03:26:59 PM

Date

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

Welsbach Electric Corp. has been awarded numerous contracts from various public and private owners including City and State agencies.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Timothy P. Miller , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Timothy P. Miller , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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Welsbach Electric Corp. of L.I.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Timothy P. Miller [TPMILLER@EMCOR.NET]

President/CEO

Title

03/04/2022 04:08:15 PM

Date

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 03/21/2022

1) Proposer's Legal Name: Welsbach Electric Corp. of L.I.

2) Address of Place of Business: 300 Newtown Rd

City: Plainview State/Province/Territory: NY Zip/Postal Code: 11803

Country: US

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Rent If other, please provide details:

4) Dun and Bradstreet number: 01-272-8168

5) Federal I.D. Number: 11-2354251

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:
Welsbach Electric Corp. of L.I. is a wholly owned subsidiary of Emcor Group, Inc. See Emcor Group 2021

1 File(s) Uploaded: EME_AR_10K_2021.pdf

- 10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

- 11) Has the proposer, during the past seven years, been declared bankrupt?

YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

- 12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

1 File(s) Uploaded: Business History Form, Question 13 Support, 22.03.24.pdf

- 14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the

circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17 Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

It is Welsbach Electric Corp. of L.I.'s policy that should any actual or potential conflict of interest be suspected, management is to be notified immediately. At such time, all parties would be notified and actions pursued to resolve said conflict.

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

11/14/1955

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

None. Emcor Group, Inc. is a publicly traded company on the Stock Exchange under symbol EME. No individual shareholder retains 10% or more of available stocks. According to the latest NASDAQ summary (available daily at NASDAQ.com), almost 95% of all available shares are retained by institutional investment firms. Leaving approximately 5% to all remaining individual shareholders. All mandated SEC filings reflecting such, and as referenced in the attached 2021 10K under Question 9, are available at any of the following websites: NASDAQ.com, SEC.gov or EmcorGroup.com.

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

[Redacted]

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

NY

v) The number of employees in the firm;

[Redacted]

vi) Annual revenue of firm;

[Redacted]

vii) Summary of relevant accomplishments

Largest traffic and street lighting contractor on Long Island. Public safety is our priority.

viii) Copies of all state and local licenses and permits.

3 File(s) Uploaded: Hempstead Tri-Town Exp 12.31.23.pdf, North Hempstead Exp 12.31.22.pdf, Oyster Bay Exp 12.31.23.pdf

B. Indicate number of years in business.

67

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

Current Traffic Signal Maintenance contractor, current Traffic Signal Operations contractor and current Traffic Signal Requirements contractor.

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	New York State D.O.T.		
Contact Person	Andrew Mareska		
Address	140 Nikon Court		
City	Hauppauge	State/Province/Territory	NY
Country	US		
Telephone	(631) 904-3010		
Fax #			
E-Mail Address	AMareska@Dot.State.NY.gov		

Company	GPI		
Contact Person	Sheila Dukacz		
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E-Mail Address	SDukacz@GPINet.com		

Company	Town of Huntington		
Contact Person	Brad Kusko		
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City	Huntington	State/Province/Territory	NY
Country	US		
Telephone	(631) 351-3053		
Fax #			
E-Mail Address	BKusko@HuntingtonNY.gov		

I, Timothy P. Miller , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Timothy P. Miller , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Welsbach Electric Corp. of L.I.

Electronically signed and certified at the date and time indicated by:
Timothy P. Miller [TPMILLER@EMCOR.NET]

President / C.E.O.
Title

03/28/2022 01:20:08 PM
Date

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 1-8267

EMCOR Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

11-2125338

(I.R.S. Employer Identification Number)

301 Merritt Seven

Norwalk, Connecticut

06851-1092

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (203) 849-7800

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol

Name of each exchange on which registered

Common Stock

EME

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes
No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$4,566,000,000 as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price on the New York Stock Exchange reported for such date. Shares of common stock held by each executive officer and director and by each person who owns 5% or more of the outstanding common stock (based solely on filings of such 5% holders) have been excluded from such calculation as such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

Number of shares of the registrant's common stock outstanding as of the close of business on February 18, 2022: 52,666,149 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Part III. Portions of the definitive proxy statement for the 2022 Annual Meeting of Stockholders, which document will be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year to which this Form 10-K relates, are incorporated by reference into Items 10 through 14 of Part III of this Form 10-K.

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They generally contain words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “can,” “could,” “might,” variations of such wording and other words or phrases of similar meaning. Forward-looking statements in this report include discussions of our future operating or financial performance and other forward-looking commentary regarding aspects of our business, including market share growth, gross profit, remaining performance obligations, project mix, projects with varying profit margins, selling, general and administrative expenses, and trends in our business, and other characterizations of future events or circumstances, such as the effects of the COVID-19 pandemic. Each forward-looking statement included in this report is subject to risks and uncertainties, including those identified below in the “Risk Factors” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section, and other sections of this report. Such risks and uncertainties could cause actual results to differ materially from those that might be anticipated from, or projected or implied by, our forward-looking statements. The forward-looking statements contained in this report speak only as of the filing date of this report. We undertake no obligation to update any forward-looking statements. However, any further disclosures made on related subjects in our subsequent reports filed with the Securities and Exchange Commission (the “SEC”) should be consulted. We caution investors not to place undue reliance on forward-looking statements, due to their inherent uncertainty.

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PART I

ITEM 1. BUSINESS

References to the “Company,” “EMCOR,” “we,” “us,” “our” and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

Overview

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. In 2021, we had revenues of approximately \$9.9 billion. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries, which specialize principally in providing construction services relating to electrical and mechanical systems in all types of facilities and in providing various services relating to the operation, maintenance, and management of those facilities. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services
- United States mechanical construction and facilities services
- United States building services
- United States industrial services
- United Kingdom building services

Our operating subsidiaries offer comprehensive and diverse solutions on a broad scale and have a solid base of customers, including many long-standing relationships. We provide construction services and building services directly to corporations, municipalities and federal and state governmental entities, owners/developers, and tenants of buildings. We also provide our construction services indirectly by acting as a subcontractor to general contractors, systems suppliers, construction managers, developers, property managers, and other subcontractors. Our industrial services are generally provided directly to refineries and petrochemical plants.

Our revenues are derived from many different customers in numerous industries, which have operations in several different geographical areas. Of our 2021 revenues, approximately 95% were generated in the United States and approximately 5% were generated in foreign countries, substantially all in the United Kingdom. In 2021, approximately 60% of our revenues were derived from our construction operations, approximately 30% of our revenues were derived from our building services operations and approximately 10% of our revenues were derived from our industrial services operations. For additional information regarding our revenues, see Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

We believe that our range of service offerings, technical capability, and strong project execution, along with our safety culture and financial resources, differentiate us from our competition and position us to benefit from future capital spending by our customers. Our strategies of expanding our portfolio of service offerings for existing and potential customers and increasing or enhancing our presence in core end markets, along with our commitment to industry-leading best practices and technological and training capabilities, place us in the position to capitalize on opportunities and trends in the industries we serve and expand our operations to select new markets.

Increasingly, our services are focused on delivering sustainable energy solutions, enhancements in energy efficiency, reductions in waste and emissions, and improvements in the safety and comfort of our customers’ facilities.

The broad scope of our operations is more particularly described below. For detailed segment financial information refer to Note 18 - Segment Information of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

Our executive offices are located at 301 Merritt Seven, Norwalk, Connecticut 06851-1092, and our telephone number at those offices is (203) 849-7800.

Operations

United States electrical and mechanical construction and facilities services operations:

Our electrical and mechanical construction services primarily involve the design, integration, installation, start-up, operation and maintenance, and provision of services relating to:

- Systems for electrical power transmission, distribution, and generation, including power cables, conduits, distribution panels, transformers, generators, uninterruptible power supply systems, and related switch gear and controls;
- Sustainable energy solutions such as solar, photovoltaic, and wind, as well as the installation of electric vehicle charging stations;
- Premises electrical and lighting systems, including fixtures and controls;
- Process instrumentation in the refining, chemical processing, and food processing industries;
- Low-voltage systems, such as fire alarm, security, and process control systems;
- Voice and data communications, including fiber optic and low voltage cabling, distributed antenna systems, audiovisual systems, and wireless access points;
- Roadway and transit lighting and signaling and fiber optic lines;
- Heating, ventilation, air conditioning, and refrigeration, including both traditional mechanical systems as well as geothermal solutions;
- Clean-room process ventilation systems;
- Fire protection and suppression systems;
- Plumbing, process and high-purity piping systems;
- Controls and filtration systems;
- Water and wastewater treatment systems;
- Central plant heating and cooling systems;
- Crane and rigging services;
- Millwright services; and
- Steel fabrication, erection, and welding services.

The electrical and mechanical construction services industry has experienced growth due principally to the increased content, complexity, and sophistication of electrical and mechanical systems resulting, in part, from growth in digital processing, cloud computing, and data storage. In addition, facilities of all types require extensive electrical distribution systems, sophisticated power supplies, networks of low-voltage and fiber-optic communications cabling, and various mechanical, plumbing, and fire protection and suppression systems. Moreover, the need for substantial environmental controls within a building, due to the heightened need to maintain extensive computer systems at optimal temperatures, and the demand for increased energy efficiency, have continued to expand opportunities for our electrical and mechanical services businesses. The demand for these services is typically driven by non-residential construction and renovation activity.

Our electrical and mechanical construction services generally fall into one of three categories: (a) large installation projects, with contracts often in the multi-million dollar range, that involve: (i) the construction of manufacturing facilities, data centers, warehousing and distribution facilities, and commercial buildings, (ii) institutional and public works projects, or (iii) the fit-out of large blocks of space within commercial buildings, (b) large and medium sized capital and maintenance projects for commercial, manufacturing, pharmaceutical, healthcare, oil and gas, industrial, and petrochemical clients and (c) smaller installation projects, of a short duration, typically involving fit-out, renovation, and retrofit work. We also install and maintain lighting for streets, highways, bridges and tunnels, traffic signals, computerized traffic control systems, and signal and communication systems for mass transit systems in several metropolitan areas. In addition, we manufacture and install sheet metal air handling systems for both our own mechanical construction operations and for unrelated mechanical contractors. We also maintain welding and pipe fabrication shops in support of some of our mechanical operations.

Our United States electrical and mechanical construction operations accounted for about 60% of our 2021 total revenues. Of such revenues, approximately 34% were generated by our electrical construction operations and approximately 66% were generated by our mechanical construction operations.

We provide electrical and mechanical construction services for both large and small installation and renovation projects. Our largest projects have included those: (a) for commercial purposes (such as office buildings, data centers, convention centers, sports stadiums, and shopping malls); (b) for manufacturing and industrial purposes (such as pharmaceutical plants, steel, pulp and paper mills, food processing, automotive and semiconductor manufacturing facilities, power generation (including sustainable energy solutions such as solar and wind), oil and gas refineries, and chemical processing plants); (c) for transportation purposes (such as highways, bridges, airports, and transit systems); (d) for institutional purposes (such as educational and correctional facilities and research laboratories); (e) for healthcare purposes; (f) for water and wastewater purposes; and (g) for hospitality purposes (such as resorts, hotels, and gaming facilities). Our largest projects, which typically range in size from \$10 million up to and occasionally exceeding \$200 million, represented approximately 38% of our electrical and mechanical construction services revenues in 2021. Depending on the size and complexity of these projects, they may span multiple years and typically require significant technical and management skills and the financial strength to obtain performance bonds, which are often a condition to bidding for and winning these projects.

Our projects of less than \$10 million accounted for approximately 62% of our electrical and mechanical construction services revenues in 2021. These projects are typically completed in less than one year. They usually involve electrical and mechanical construction services when an end-user or owner undertakes construction or modification of a facility to accommodate a specific use, upgrade or replace aging systems, or increase energy efficiency. These projects frequently require electrical and mechanical systems to meet special needs such as critical systems power supply, fire protection systems, special environmental controls and high-purity air systems, sophisticated electrical and mechanical systems for data centers, new production lines in manufacturing plants, and office arrangements in existing office buildings. They are not usually dependent upon the new construction market. Demand for these projects and types of services is often prompted by the expiration of leases, changes in technology, the demand for more energy efficient systems, or changes in the customer's plant or office layout in the normal course of a customer's business.

United States and United Kingdom building services operations:

Our building services, which are provided to a wide range of facilities, including commercial, utility, institutional, and governmental facilities, include:

- Mobile mechanical maintenance and services for mechanical, electrical, plumbing, fire safety, and building automation systems;
- Small modification and retrofit projects;
- Program development, management, and maintenance for energy systems, including LEED Certified solutions to assist our customers in reducing energy consumption;
- Technical consulting and diagnostic services;
- Services aimed at improving indoor air quality;
- Installation and support for building systems;
- Commercial and government site-based operations and maintenance;
- Facility management, maintenance, and services;
- Floor care and janitorial services, including enhanced cleaning and sanitization services;
- Landscaping, lot sweeping, and snow removal;
- Other building services, including reception, security, and catering services;
- Vendor management and call center services;
- Military base operations support services;
- Infrastructure and building projects for federal, state, and local governmental agencies; and
- Outage services to utilities and industrial plants.

While not all of the above services are performed in both countries, we provide building services throughout the United States and United Kingdom. Our building services operations have built upon our traditional electrical and mechanical construction operations and our client relationships to expand the scope of services being offered and to develop packages of services for customers on a local, regional, and national basis.

Our building services operations, which generated approximately 30% of our 2021 total revenues, provide services to owners, operators, tenants, and managers of all types of facilities both on a contractual basis for a specified period of time and on an individual task order basis. Of our building services revenues for 2021, approximately 83% were generated in the United States and approximately 17% were generated in the United Kingdom.

Demand for our building services is often driven by customers' decisions to focus on their core competencies, customers' programs to reduce costs, the increasing technical complexity of their facilities, including their mechanical, electrical, building automation, voice and data, and other systems, and the need for increased reliability, energy efficiency, and air filtration and sanitization. These trends have led to outsourcing and privatization programs whereby customers in both the private and public sectors seek to contract out those activities that support, but are not directly associated with, the customer's core business. Clients of our building services business include federal and state governments, institutional organizations, utilities, independent power producers, healthcare providers, and major corporations engaged in information technology, telecommunications, pharmaceuticals, financial services, and manufacturing, as well as large retailers and other businesses with geographically dispersed locations.

We provide building services at a number of prominent buildings, including those that house the Secret Service, the Federal Deposit Insurance Corporation, the Government Accountability Office, and the Department of Health and Human Services, as well as other government facilities, including the NASA Jet Propulsion Laboratory. We also provide building services, as a prime contractor or a subcontractor, to U.S. military bases, including the Defense Intelligence Agency located on Joint Base Anacostia-Bolling, and are involved in a joint venture providing building services to NASA's Armstrong Flight Research Center. The agreements pursuant to which this division provides services to the federal government are frequently for a base period and a number of option years exercisable at the sole discretion of the government, are often subject to renegotiation by the government in terms of scope of services, and are subject to termination by the government prior to the expiration of the applicable term.

United States industrial services operations:

Our industrial services are primarily provided to customers within the oil, gas, and petrochemical industries and consist of:

- Refinery turnaround planning and engineering services;
- Specialty welding services;
- Overhaul and maintenance of critical process units in refineries and petrochemical plants;
- Specialty technical services for refineries and petrochemical plants;
- Instrumentation and electrical services for energy infrastructure;
- On-site repairs, maintenance, and service of heat exchangers, towers, vessels, and piping;
- Design, manufacturing, repair, and hydro blast cleaning of shell and tube heat exchangers and related equipment; and
- Renewable energy services, including large scale solar projects, energy storage, and waste to biogas solutions.

Our industrial services business, which generated approximately 10% of our 2021 total revenues, is a recognized leader in the refinery turnaround market and has a presence in the petrochemical market. Demand for these services is highly dependent on the strength of the oil and gas and related industrial markets. Our industrial services operations perform turnaround and maintenance services for critical units of refineries and petrochemical plants to upgrade, repair, and maintain them. Such services include: (a) engineering and planning in advance of complex refinery turnarounds; (b) overhaul and maintenance of critical process units (including hydrofluoric alkylation units, fluid catalytic cracking units, coking units, heaters, heat exchangers, and related mechanical equipment) during refinery and petrochemical plant shut downs; (c) replacement and new construction capital projects for refineries and petrochemical plants; (d) instrumentation and electrical services for energy infrastructure; and (e) other related specialty services such as: (i) welding (including pipe welding) and fabrication; (ii) heater, boiler, and reformer repairs and replacements; converter repair and revamps; and vessel, exchanger and tower services; (iii) tower and column repairs in refineries and petrochemical plants; (iv) installation and repair of refractory materials for critical units in process plants to protect equipment from corrosion, erosion, and extreme temperatures; and (v) acid-proofing services to protect critical components at refineries from chemical exposure. These businesses also design and manufacture highly engineered shell and tube heat exchangers and provide maintenance, repair, and cleaning services for heat exchangers both in the field and at our own shops, including tube and shell repairs, bundle repairs, and extraction services.

In addition to these traditional industrial services, we are working to leverage our expertise in industrial services to construct and maintain carbon capture technologies and renewable energy projects.

Competition

Across our operations, we compete with national, regional, and local companies, many of which are small, owner-operated entities that carry on their businesses in a limited geographic area, as well as with certain foreign companies.

The electrical and mechanical construction services industry is highly fragmented and our competition includes thousands of small companies across the United States. In addition, there are a number of larger public companies focused on providing either electrical and/or mechanical construction services, such as APi Group Corporation, Comfort Systems USA, Inc., Dycom Industries, Inc., IES Holdings, Inc., MasTec, Inc., MYR Group, Inc., and Tutor Perini Corporation. A majority of our revenues are derived from projects requiring competitive bids; however, an invitation to bid is often conditioned upon prior experience, technical capability, and financial strength. Competitive factors in the electrical and mechanical construction services business include: (a) the availability of qualified and/or licensed personnel; (b) reputation for integrity and quality; (c) safety record; (d) cost structure and the ability to control project costs; (e) relationships with customers; (f) price; (g) geographic diversity; (h) experience in specialized markets; (i) the ability to obtain surety bonding; and (j) adequate working capital or access to bank credit. We believe our financial position, operating results, access to bank credit and surety bonding, technical expertise, and safety record, among other factors, give us an advantage over many of our competitors. However, relatively few barriers exist to prevent entry into the electrical and mechanical construction services industry.

While the building services industry is also highly fragmented, with most competitors operating in a specific geographic region, a number of large corporations such as Amentum Services, Inc., IAP Worldwide Services, Inc., Fluor Corporation, J&J Worldwide Services, Cushman & Wakefield plc, CBRE Group, Inc., Jones Lang LaSalle Incorporated, Sodexo, Inc., Aramark, and ABM Industries Incorporated are engaged in this field, as are large original equipment manufacturers such as Carrier Global Corporation and Trane Technologies plc. In addition, we compete with several regional firms serving all or portions of the markets we target, such as BrightView Holdings, Inc., Kellermeier Bergensons Services, LLC, SMS Assist, LLC, and Ferandino & Son, Inc. Our principal competitors in the United Kingdom include CBRE Group, Inc., Bouygues UK Ltd., ISS UK Ltd., and Mitie Group plc. The key competitive factors in the building services industry include: (a) availability of qualified personnel and managers; (b) service quality and technical expertise; (c) cost structure and the ability to control project costs; (d) price; and (e) geographic diversity. Due to our size, our technical capability and management experience, and our geographic presence, we believe our building services operations are in a strong competitive position. However, there are relatively few barriers to entry into the building services industry.

The market for providing industrial services includes large national providers, as well as numerous regional companies. In the manufacture of heat exchangers, we compete with both U.S. and foreign manufacturers. Competitors within this industry include JVIC Catalyst Services, Universal Plant Services, Inc., Turner Industries Group, LLC, Team, Inc., Cust-O-Fab, Inc., Dunn Heat Exchangers, Inc., and Wyatt Field Service Company, LLC, among others. The key competitive factors in the industrial services market consist of: (a) availability of skilled workforce; (b) technical expertise; (c) service, quality, and ability to respond quickly; (d) price; and (e) safety record. Due to our technical capabilities, skilled workforce, and safety record, we believe that we are in a strong competitive position in the industrial services markets that we serve. Because of the complex tasks associated with turnaround projects, and the precision and cost investment required in manufacturing heat exchangers, we believe that the barriers to entry in this business are significant.

Human Capital

At December 31, 2021, we employed approximately 34,000 people, approximately 30,000 of whom were located within the United States and approximately 4,000 of whom were located in the United Kingdom.

Based on the most recent information available from our latest filing with the U.S. Equal Employment Opportunity Commission, the gender demographic of our U.S. employees was 90% male and 10% female. Additionally, based on such information, our U.S. employees had the following race and ethnicity demographics:

Employee Demographic	% of Total
White	70 %
Hispanic / Latinx	17 %
Black / African American	8 %
Asian	2 %
Multiracial, Native American, Native Hawaiian, and Pacific Islander	3 %

Approximately 60% of our employees are represented by various unions pursuant to nearly 450 collective bargaining agreements between our individual subsidiaries or trade associations and local unions, as well as two collective bargaining agreements that are national or regional in scope. We believe that our relations with our labor unions are generally positive.

Our ability to execute complex projects for our customers, and to perform all of our services with the excellence that makes us an industry leader, depends on our success in attracting and retaining skilled labor in a competitive market. We therefore strive to be and remain an employer of choice for the most talented employees in each of the industries and markets in which we operate. This begins with offering competitive employee compensation and benefits packages, specifically designed to meet the unique needs of each individual in our organization, which include:

- *Health and Welfare Plans:* All full-time employees who do not participate in union plans are offered a range of choices among medical, dental and vision plans, life, accident, dependent and disability insurance, and pre-tax health spending accounts that include employer contributions.
- *Retirement Savings:* We help provide our employees with financial security by offering a 401(k) Savings Plan and an Employee Stock Purchase Plan, both of which include company matching contributions.
- *Degree Assistance:* Eligible employees may apply for reimbursement for job-related courses or courses taken as part of a curriculum for a business or job-related degree at an accredited institution.
- *Employee Assistance Program:* Through our Employee Assistance Program, we offer our employees, and their dependents or household members, access to services and counseling on a variety of personal, professional, legal, and financial matters, at no cost.

Key to our attraction and retention of employees is our commitment to our EMCOR Values and our focus on employee safety and diversity, equity, and inclusion. Our Board of Directors and senior leadership engage in oversight and management, respectively, of our significant human capital initiatives. Our Board of Directors is regularly briefed and provides input on key human capital initiatives and metrics.

Commitment to Core Values

We are committed to our EMCOR Values of Mission First: *Integrity, Discipline, and Transparency* and People Always: *Mutual Respect and Trust, Commitment to Safety, and Teamwork*. We constantly strive to ensure these values are reflected in how we do business every day, from our corporate culture and “tone at the top,” established by our Board of Directors and management team, to the critical work performed by all of our people at every level throughout our organization. We reinforce our EMCOR Values through many ongoing initiatives. Our EMCOR Values are embodied in our policies and procedures, including our Code of Business Ethics and Conduct. We also regularly provide training on these values, both at time of hire and on an ongoing, periodic basis. In addition, to develop and reinforce our values company-wide, and empower our leaders to perform at the highest levels, senior leaders are invited to our Leadership for Results course at Babson College and our Leading with Character program at the Thayer Leadership Development Group at West Point.

Workplace Safety

We believe that our focus on employee safety and well-being is reflected in our results. In a year in which our employees worked a total of approximately 76 million hours, the second highest in our history, the Company’s Total Recordable Incident Rate in 2021 was approximately 1.06, which was more than 60% lower than the most recently available industry average of 2.70. This represents our thirteenth consecutive year with a Total Recordable Incident Rate which was less than half the industry average. Our position as an industry leader in safety begins with a strong culture of care and vigilance embodied in our EMCOR Values and is supported by a comprehensive suite of training, resources, and analytics. These include: (a) our signature Be There for Life! Zero Injuries Program and Be Vigilant! Campaign, (b) incident and injury prevention planning, including in-person and online training tools, adoption of new technology, and best practice guides available through our company intranet, (c) enterprise level reporting and analysis of leading and lagging indicators, (d) a 24-hour incident reporting hotline, and (e) a company-wide program to share and champion best safety practices across our range of businesses.

Diversity, Equity, and Inclusion

We believe that a diverse workforce is important to the long-term success of our business. We actively seek to increase the diversity of our workforce and to practice our commitment to diversity and inclusion in hiring, development, and training. This extends to our senior leadership and Board of Directors, where we require that any slate of candidates for a named executive officer or other corporate officer position, and new management-supported director nominees, include individuals from underrepresented demographics. We have also designed and implemented policies and practices to promote a workplace free from discrimination, including our Affirmative Action and Equal Opportunity Policy, the implementation, effectiveness, and reporting requirements of which are overseen by our designated Affirmative Action Officer.

We strive to help all our employees realize their full potential with an equal opportunity to succeed. We work to unlock the full potential of all employees at every level through: (a) the EMCOR Manager Certificate Program, which promotes supervisory management skills, (b) our Degree Assistance Program, which provides tuition reimbursement for continuing education, and (c) the resources available to all employees on our online learning platform, the EMCOR Learning Center, which includes thousands of on-demand training courses on a wide range of topics.

In furtherance of our EMCOR Values, all EMCOR employees are required to complete diversity & inclusion training, and our current and future leaders undergo implicit association and unconscious bias training.

Available Information

We file annual, quarterly and current reports, proxy statements and other information with the SEC. These filings are available to the public over the internet at the SEC's website at <http://www.sec.gov>.

Our Internet address is www.emcorgroup.com. We make available, free of charge, through www.emcorgroup.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. References to our website addressed in this report are provided as a convenience and do not constitute, and should not be viewed as, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

Our Board of Directors has an audit committee, a compensation and personnel committee, and a nominating and corporate governance committee. Each of these committees has a formal charter. We also have Corporate Governance Guidelines, which include guidelines regarding related party transactions, a Code of Ethics for our Chief Executive Officer and Senior Financial Officers, and a Code of Ethics and Business Conduct for Directors, Officers, and Employees. Copies of these charters, guidelines and codes, and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers, or directors, can be obtained free of charge on our website, www.emcorgroup.com.

You may request a copy of the foregoing filings (excluding exhibits), charters, guidelines and codes, and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers, or directors, at no cost by writing to us at EMCOR Group, Inc., 301 Merritt Seven, Norwalk, CT 06851-1092, Attention: Corporate Secretary, or by telephoning us at (203) 849-7800.

ITEM 1A. RISK FACTORS

Our business is subject to a variety of risks, including the risks described below as well as adverse business and market conditions and risks associated with our operations. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not known to us or not described below, which we have not determined to be material, may also impair our business operations. You should carefully consider the risks described below, together with all other information in this report, including information contained in the “Business,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Quantitative and Qualitative Disclosures about Market Risk” sections. If any of the following risks actually occur, our business, financial position, results of operations, and/or cash flows could be adversely affected, and we may not be able to achieve our goals. Such events may cause actual results to differ materially from expected and historical results, and the trading price of our common stock could decline.

Economic and Strategic Risk Factors

Economic downturns have historically led to reductions in demand for our services. Negative conditions in the credit markets, including rising interest rates, may adversely impact our ability to operate our business. The level of demand from our clients for our services has been, in the past, adversely impacted by slowdowns in the industries we service, as well as in the economy in general. When the general level of economic activity has been reduced from historical levels, certain of our ultimate customers have delayed or canceled projects or capital spending, especially with respect to more profitable private sector work, and such slowdowns adversely affect our ability to grow, reducing our revenues and profitability. A number of economic factors, including financing conditions, the prices of commodities, and energy prices, have, in the past, adversely affected the industries we serve and our ultimate customers’ ability or willingness to fund expenditures. General concerns about the fundamental soundness of domestic and foreign economies may also cause ultimate customers to defer projects even if they have credit available to them. A prolonged stagnation or weakening in financial and macroeconomic conditions, including as a result of the COVID-19 pandemic, could therefore have a significant adverse effect on our revenues and profitability.

Many of our clients depend on the availability of credit to help finance their capital and maintenance projects. At times, tightened availability of credit or increased interest rates have negatively impacted the ability of existing and prospective ultimate customers to fund projects we might otherwise perform, particularly those in the more profitable private sector. As a result, our ultimate customers may defer such projects for an unknown, and perhaps lengthy, period. Any such deferrals would inhibit our growth and would adversely affect our results of operations.

In a weak economic environment, particularly in a period of restrictive credit markets, we may experience greater difficulties in collecting payments from, and negotiating change orders and/or claims with, our clients due to, among other reasons, a diminution in our ultimate customers’ access to the credit markets or potential bankruptcies. If clients delay in paying or fail to pay a significant amount of our outstanding receivables, or we fail to successfully negotiate a significant portion of our change orders and/or claims with clients, it could have an adverse effect on our liquidity, results of operations, and financial position.

Our business has traditionally lagged recoveries in the general economy and, therefore, after an economic downturn we may not recover as quickly as the economy at large.

Certain of our businesses, including those within our United States industrial services segment, are exposed to risks associated with the oil and gas industry. These risks, which are not subject to our control, include volatility in the price and production of crude oil, the development of and consumer demand for alternative energy sources, including as a result of a change in consumer preference, or in an effort to reduce greenhouse gas emissions or combat climate change, and legislative and regulatory actions. Specifically, lower prices and production volumes, or perceived risk thereof, typically results in the curtailment or deferral of spending by our customers. In addition, macroeconomic conditions, influenced by a variety of events and circumstances, can also affect customer demand for our services within these businesses. For example, during 2020, the escalation of geopolitical tensions between the Organization of Petroleum Exporting Countries (OPEC) and Russia contributed to a significant drop in the price of crude oil, impacting customers in the energy sector and the demand for certain of our services. Continued unfavorable conditions within these markets, including the impact of sustained lower demand for refined products as a result of the COVID-19 pandemic, could further negatively impact our financial position, results of operations, and cash flows.

Our business is vulnerable to the cyclical nature of the markets in which our clients operate and is dependent upon the timing and funding of new awards. We provide construction and maintenance services to ultimate customers operating in a number of markets which have been, and we expect will continue to be, cyclical and subject to significant fluctuations due to a variety of factors beyond our control, including economic conditions and changes in client spending.

Regardless of economic or market conditions, investment decisions by our ultimate customers may vary by location or as a result of other factors like the availability of labor, relative construction costs, or competitive conditions in their industries. Because we are dependent on the timing and funding of new awards, we are therefore vulnerable to changes in our clients' markets and investment decisions.

Our business may be adversely affected by significant reductions in government spending or delays or disruptions in the government appropriations process. Some of our businesses derive a significant portion of their revenues from federal, state, and local governmental agencies. As a result, reduced or delayed spending by the federal government and/or state and local governments may have a material and adverse impact on our business, financial condition, results of operations, and cash flows. Significant reductions in spending aimed at reducing federal, state, or local budget deficits, the absence of a bipartisan agreement on the federal government's budget, renewed focus on budget deficits following recent increases in government spending in response to the COVID-19 pandemic, personnel reductions, the closure of government facilities and offices, or other changes in budget priorities could result in the deferral, delay, disruption, or cancellation of projects or contracts that we might otherwise have sought to perform. These potential events could impact the level of demand for our services and our ability to execute, complete, and receive compensation for our current contracts, or bid for and enter into new contracts with governmental agencies.

An increase in the prices or availability of certain materials used in our businesses, including as a result of inflation, and protectionist trade measures could adversely affect our businesses. We are exposed to market risk of increases in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of approximately 12,000 vehicles. While we believe we can increase our prices to adjust for some price increases in commodities, there can be no assurance that price increases of commodities, if they were to occur, would be recoverable. Additionally, our fixed price contracts generally do not allow us to adjust our prices and, as a result, increases in material or fuel costs could reduce our profitability with respect to projects in progress. For example, during 2021, certain of our operations experienced declines in gross profit and gross profit margin as a result of supply chain disruptions, including long lead times for certain materials and equipment, as well as an escalation in material and fuel prices, and such supply chain disruptions and price escalations have continued into 2022. Fluctuations in energy prices as well as in commodity prices of materials, whether resulting from fluctuations in market supply or demand, or geopolitical conditions, including an increase in trade protection measures such as tariffs and the disruption, modification, or cancellation of multilateral trade agreements, may adversely affect our customers and as a result cause them to curtail the use of our services.

Business and Operational Risk Factors

The loss of one or a few customers could have an adverse effect on us. Although we have long-standing relationships with many of our significant customers, our customers may unilaterally reduce, fail to renew, or terminate their contracts with us at any time. A loss of business from a significant customer, or a number of significant customers, could have a material adverse effect on our business, financial position, and results of operations.

Our industry is highly competitive. Our industry is served by numerous small, owner-operated private companies, a few public companies, and several large regional companies. In addition, relatively few barriers exist to prevent entry into most of the industries in which we operate. As a result, any organization that has adequate financial resources, and access to technical expertise, may become a competitor. Competition in our industry depends on numerous factors, including price. Certain of our competitors have lower overhead cost structures and, therefore, are able to provide their services at lower rates than we are currently able to provide. Our project and service work is frequently awarded through a competitive bidding process, which is standard in our industry. We are constantly competing for contracts based on pricing, schedule, and technical expertise. Competition can place downward pressure on our contract prices and profit margins, which may make it difficult to win the project or force us to accept contractual terms and conditions that are less favorable to us, thereby increasing the risk that, among other things, we may not realize profit margins at the same rates we have seen in the past or may become responsible for costs or other liabilities we have not incurred in the past.

In addition, some of our competitors have greater resources than we do. We cannot be certain that our competitors will not develop the expertise, experience, and resources necessary to provide services that are superior in quality, and lower in price, to ours. Similarly, we cannot be certain that we will be able to maintain or enhance our competitive position within our industries, or maintain a customer base at current levels. We may also face competition from the in-house service organizations of existing or prospective customers, particularly with respect to building services. Many of our customers employ personnel who perform some of the same types of building services that we do. We cannot be certain that our existing or prospective customers will continue to outsource building services in the future. If we are unable to compete effectively, we may experience a loss of market share, reduced profitability, or both, which if significant, could have a material adverse effect on our business, financial condition, and results of operations. Refer also to "Business - Competition" in Item 1 of this Form 10-K.

We are a decentralized company, which presents certain risks. While we believe decentralization has enhanced our growth and enabled us to remain responsive to opportunities and to our customers' needs, it necessarily places significant control and decision-making powers in the hands of local management. This presents various risks, including the risk that we may be slower or less able to identify or react to external market conditions or problems affecting a key business than we would in a more centralized environment.

Our business may be affected by weather conditions. Adverse weather conditions, particularly during the winter season, could impact our construction services operations as those conditions affect our ability to perform efficient work outdoors in certain regions of the United States, adversely affecting the revenues and profitability of those operations. However, the absence of snow in certain regions of the United States during the winter could also cause us to experience reduced revenues and profitability in our United States building services segment, as a portion of their revenues is generated from snow removal contracts. In addition, cooler than normal temperatures during the summer months could reduce the need for our services, particularly in our businesses that install or service air conditioning units, and result in reduced revenues and profitability during the period that such unseasonal weather conditions persist.

Our business may be affected by the work environment. We perform our work under a variety of conditions, including but not limited to, difficult terrain, difficult site conditions, and busy urban centers where delivery of materials and availability of labor may be impacted, clean-room environments where strict procedures must be followed, and sites which contain harsh or hazardous conditions, especially at chemical plants, refineries and other process facilities. Performing work under these conditions can increase the cost of such work or negatively affect efficiency and, therefore, our profitability.

Our dependence upon fixed price contracts could adversely affect our business. We currently generate, and expect to continue to generate, a significant portion of our revenues from fixed price contracts. We must estimate the total costs of a particular project to bid for fixed price contracts. Cost and scheduling estimates are based on a number of assumptions, including those about future economic conditions, commodity and other materials pricing, cost and availability of labor, equipment, and materials, and supply chain efficiency, among other factors. The actual cost of labor and materials, however, may vary from the costs we originally estimated. These variations, along with other risks, inherent in the execution of projects subject to fixed price contracts, may cause actual gross profits from projects to differ from those we originally estimated and could result in reduced profitability or losses on projects. Depending upon the size of a particular project, variations from the estimated contract costs can have a significant impact on our operating results for any fiscal quarter or year.

We could incur additional costs to cover certain guarantees or other contractual requirements. In some instances, we guarantee completion of a project by a specific date or price, cost savings, achievement of certain performance standards, or performance of our services at a certain standard of quality. For other arrangements, including those within our government services operations, the terms of our contracts may include provisions which require us to achieve certain minority participation or small or disadvantaged business "set-aside" goals. Such requirements have become more frequent in recent years and we expect them to be increasingly prevalent, and more strictly enforced in the near future, especially under the current administration in Washington, D.C. If we subsequently fail to meet such guarantees, or comply with such provisions, we may be held responsible for costs resulting from such failures, including payment of penalties or liquidated or other damages. To the extent that any of these events occur, the total costs of a project could exceed the original estimated costs, and we would experience reduced profits or, in some cases, a loss.

Many of our contracts, especially our building and industrial services contracts, may be canceled or delayed on short notice, and we may be unsuccessful in replacing such contracts if they are canceled or as they are completed or expire. We could experience a decrease in revenues, net income, and liquidity if any of the following occur:

- customers cancel a significant number of contracts or delay services or projects;
- we fail to win a significant number of our existing contracts upon re-bid;
- we complete a significant number of non-recurring projects and cannot replace them with similar projects; or
- we fail to reduce operating and overhead expenses consistent with any decrease in our revenues.

Uncertainty surrounding the timing of contract awards, or project cancellations or delays, can also present difficulties in matching our workforce size with contract needs. In some cases, in anticipation of contract awards, we maintain and bear the cost of a ready workforce size that is larger than necessary under our existing contract portfolio. When a contract is canceled or delayed, or an anticipated contract award is not received, it may result in lower profitability as a result of labor underutilization, or additional costs resulting from reductions in staff, which could have a material adverse effect on our business, financial condition, and results of operations.

We may be unsuccessful in generating internal growth. Our ability to generate internal growth will be affected by, among other factors, our ability to:

- expand the range of services offered to customers to address their evolving needs;
- attract new customers; and
- retain and/or increase the number of projects performed for existing customers.

In addition, existing and potential customers may reduce the number or size of projects available to us because of general economic conditions or due to their inability to obtain capital or pay for services we provide. Many of the factors affecting our ability to generate internal growth are beyond our control, and we cannot be certain that our strategies will be successful or that we will be able to generate cash flow sufficient to fund our operations and to support internal growth. If we are not successful, we may not be able to achieve internal growth, expand operations, or grow our business.

Fluctuating foreign currency exchange rates impact our financial results. We have operations in the United Kingdom, which in 2021 accounted for approximately 5% of our revenues. Our reported financial position and results of operations are exposed to the effects (both positive and negative) that fluctuating exchange rates have on the process of translating the financial statements of our United Kingdom operations, which are denominated in local currencies, into the U.S. dollar. The factors that impact exchange rate fluctuation, including macroeconomic and geopolitical conditions, are outside the control of the Company.

As part of our risk management strategy, we are effectively self-insured against certain potential liabilities. Although we maintain insurance policies with respect to a broad range of risks, including automobile liability, general liability, workers' compensation, and employee-related healthcare, these policies do not cover all possible claims and certain of the policies are subject to large deductibles and retentions. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Accordingly, we are effectively self-insured for a substantial number of actual and potential claims. Further, if any of our insurance carriers defaulted on its obligations to provide insurance coverage by reason of its insolvency or for other reasons, our exposure to claims would increase and our profits would be adversely affected. Our estimates for unpaid claims and expenses are based on known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary. The determination of such estimated liabilities and their appropriateness are reviewed and updated at least quarterly. However, these liabilities are difficult to assess and estimate due to many relevant factors, the effects of which are often unknown, including the severity of an injury or damage, the determination of liability in proportion to other parties, the timeliness of reported claims, the effectiveness of our risk management and safety programs, and the terms and conditions of our insurance policies. Our accruals are based upon known facts, historical trends and our reasonable estimate of future expenses, and we believe such accruals are adequate. However, unknown or changing trends, risks, or circumstances, such as increases in claims, a weakening economy, increases in medical costs, changes in case law or legislation, or changes in the nature of the work we perform, could render our current estimates and accruals inadequate. In such case, adjustments may be required to increase our insurance liabilities in the period that the experience becomes known.

External market conditions, including catastrophic losses resulting from an increase in severe weather events and the prolonged pandemic, among other factors, have resulted in an insurance market that is characterized by higher premiums, diminished capacity, and more conservative underwriting. If these market conditions persist, insurance carriers may be unwilling, in the future, to provide our current levels of coverage without a significant increase in insurance premiums, self-insured retention limits, or collateral requirements to cover our obligations to them. Increased collateral requirements may be in the form of additional letters of credit, surety bonds, and/or cash, and an increase in collateral requirements could significantly reduce our liquidity. If insurance premiums or self-insured retention limits increase, and/or if insurance claims are higher than our estimates, our profitability could be adversely affected.

Failure to provide our services in accordance with professional standards or contractual requirements could expose us to significant monetary damages. Our services often involve professional judgments regarding the planning, design, development, construction, or operations and management of complex facilities. Although we have adopted a range of insurance, risk management, and risk avoidance programs designed to reduce potential liabilities, a catastrophic event at one of our project sites or a completed project, resulting from the services we have performed, could result in significant professional or product liability and warranty or other claims against us, as well as reputational harm. These liabilities could exceed our insurance limits or impact our ability to obtain insurance in the future. Further, even where insurance coverage applies, such policies have limits and deductibles or retentions, which could result in our assumption of exposure for certain amounts with respect to any claim filed against us. In addition, customers or subcontractors who have agreed to indemnify us against any such liabilities or losses might refuse or be unable to uphold their obligations to us. An uninsured claim, either in part or in whole, as well as any claim covered by insurance but subject to a policy limit, high deductible and/or retention, could have a material adverse effect on our business, financial condition, and results of operations.

Our business strategy relies, in part, on acquisitions to sustain our growth, and these transactions present certain risk and uncertainties. As part of our growth strategy, we acquire companies that expand, complement, and/or diversify our businesses. However, there is no guarantee that we will be successful in identifying targets that meet our requirements for acquisition. We may also face increased competition from other potential acquirers who may have greater financial resources available to them or who may be in a position to offer more favorable terms to the target company. This competition may limit our ability to pursue acquisition opportunities. Additionally, circumstances beyond our control, such as the COVID-19 pandemic, has and may continue to hinder our ability to pursue and complete acquisitions. Further, realization of the anticipated benefits of an acquisition, and avoiding or mitigating the potential risks associated with an acquisition, will depend, among other things, upon our ability to: (a) effectively conduct due diligence to identify potential problems at companies we propose to acquire, (b) recognize incompatibilities or other obstacles to the successful integration of the acquired business with our other operations, and (c) gain greater efficiencies and scale that will translate into reduced costs or anticipated synergies in a timely manner. However, there can be no assurance that an acquisition we may make in the future will provide the benefits anticipated when entering into the transaction. Acquisitions we have completed, and future acquisitions we may make, could expose us to operational challenges and risks, including the diversion of management's attention from our existing businesses, the failure to retain key personnel or customers of the acquired business, and the assumption of unknown liabilities of the acquired business for which there are inadequate reserves. Our ability to sustain our growth and maintain our competitive position may be affected by our ability to identify and acquire desirable businesses and successfully integrate any acquired business.

In addition, while we work to rapidly implement or maintain internal controls and financial reporting standards and procedures in the businesses we acquire, including integrating such acquired businesses into our consolidated financial reporting systems and controls, we cannot be certain that such implementation and integration will be quickly and effectively completed. Our internal control processes and procedures with respect to such businesses may need to be adjusted or enhanced in order to ensure that such businesses are in compliance with the regulations we are subject to as well as our internal policies and standards. Such changes could result in significant additional costs to us and could require the diversion of management's attention from our existing businesses or other strategic initiatives.

Amounts included in our remaining performance obligations may not result in actual revenues or translate into profits. Many contracts are subject to cancellation or suspension on short notice at the discretion of the client, and the contracts in our remaining performance obligations are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contract. The risk of contracts included in our remaining performance obligations being delayed or canceled generally increases during economic slowdowns or in response to significant fluctuations in commodity prices. Accordingly, there is no assurance that revenue from remaining performance obligations will actually be realized. If our remaining performance obligations fail to materialize, we could experience a decline in profitability, which could result in a deterioration of our financial position and liquidity.

We recognize revenue for the majority of our construction projects based on estimates; therefore, variations of actual results from our assumptions may reduce our profitability. As discussed in further detail in the "Critical Accounting Policies and Estimates" section included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, revenue is recognized as performance obligations are satisfied and earnings or losses recognized on individual contracts are based on estimates of contract price, costs, and profitability. Changes in estimates of transaction prices as well as estimated costs are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. Consequently, changes in estimates, or variations of actual results from previous projections, on an unusually large project, or on a number of average size projects, could be material and could have an adverse impact on our financial condition, results of operations, and cash flows.

We are increasingly dependent on sophisticated information technology systems; our business and results of operations are subject to adverse impacts due to disruption, failure, and cybersecurity breaches of these systems. We and our customers and third-party providers rely on information technology systems, hardware, and software to run critical accounting, project management, and financial information systems. We rely upon security measures, products, and services to attempt to secure our information technology systems and the confidential, proprietary, and sensitive information they contain. However, our information technology systems and those of our customers and third-party providers are subject to cyber-attacks, hacking, other intrusions, failure, and damage, which result in operational disruption and could result in information misappropriation, such as theft of intellectual property or inappropriate disclosure of customer data or confidential or personal information. On February 15, 2020, for example, we became aware of an infiltration and encryption of portions of our information technology network. This attack temporarily disrupted our use of the impacted systems. While we maintain insurance coverage for these types of incidents, such policies may not completely provide coverage for, or completely offset, the costs associated with such incidents. We are continuously developing and enhancing our controls, processes, and practices designed to protect our systems, computers, software, data, and networks from attack, damage, or unauthorized access. This continued development and enhancement requires us to expend additional resources. However, we may not anticipate or combat all types of potential disruptions or breaches. If any of these events were to occur, we could be required to expend additional capital and other

resources, including costs to deploy additional personnel and protection technologies, train employees, and engage third-party experts and consultants. Additionally, as many of our employees use our information technology systems to collaborate with colleagues in different geographic locations and periodically access our systems remotely, we may be subject to heightened security risks, including the risks of cyber-attacks.

The proper functioning of our information technology systems could also be impacted by other causes and circumstances beyond our control, including malware embedded in third party applications, the decision by software vendors to discontinue further development, integration, or long-term software maintenance support for our information systems, or hardware interruption, damage or disruption as a result of power outages, natural disasters, or computer network failures. Key business processes are subject to interruption to the extent that our information technology systems, or those of our customers or third-party providers, are disabled for a long period of time. Such operational disruptions and/or misappropriation or inappropriate disclosure of information could result in lost or reduced revenues, negative publicity, loss of customers or contracts, or business delays that could have a material adverse effect on our business, financial position, and results of operations.

In addition, new or evolving laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation ("GDPR"), the California Consumer Privacy Act, and other emerging U.S. state privacy laws pose increasingly complex compliance challenges and could potentially elevate our compliance costs. Any failure to comply with these laws and regulations could result in significant penalties and legal liability, and increased costs in this area could have a negative impact on our financial condition, results of operations, and cash flow.

Financial Risk Factors

A material portion of our business depends on our ability to provide surety bonds. We may be unable to compete for or work on certain projects if we are not able to obtain the necessary surety bonds. Our construction contracts frequently require that we obtain from surety companies, and provide to our customers, payment and performance bonds as a condition to the award of such contracts. Such surety bonds secure our payment and performance obligations. Under standard terms in the surety market, surety companies issue bonds on a project-by-project basis and can decline to issue bonds at any time or require the posting of collateral as a condition to issuing any bonds. Current or future market conditions, as well as changes in our sureties' assessment of our or their own operating and financial risk, could cause our surety companies to decline to issue, or substantially reduce the amount of, bonds for our work or to increase our bonding costs. These actions can be taken on short notice. If our surety companies were to limit or eliminate our access to bonding, our alternatives would include seeking bonding capacity from other surety companies, increasing business with clients that do not require bonds, or posting other forms of collateral for project performance, such as letters of credit, parent company guarantees, or cash. We may be unable to secure these alternatives in a timely manner, on acceptable terms, or at all. Accordingly, if we were to experience an interruption or reduction in the availability of bonding, we may be unable to compete for or work on certain projects. Increases in the costs of surety bonds could also adversely impact our profitability.

Our results of operations could be adversely affected as a result of goodwill and identifiable intangible asset impairments. When we acquire a business, we record an asset called "goodwill" equal to the excess of the consideration transferred over the fair value of the net tangible and identifiable intangible assets acquired. Goodwill and indefinite-lived intangible assets are not amortized but instead evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of the asset may be impaired. Impairment may result from a deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or changes in the manner in which acquired assets are used. While no impairment was recognized during 2021, we recorded \$232.8 million of impairment charges during 2020 as a result of certain of these conditions. Significant judgment is required in determining whether goodwill and indefinite-lived intangible assets are impaired and assumptions utilized for purposes of our impairment testing may change in future periods. There can be no assurance that our estimates and assumptions will prove to be accurate predictions of the future. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations. For further discussion of our impairment testing, see Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets included in Item 8. Financial Statements and Supplementary Data.

Failure to maintain effective internal controls over financial reporting could adversely impact our ability to timely and accurately report financial results and comply with our reporting obligations, which could materially affect our business. Regardless of how internal financial reporting control systems are designed, implemented, and enforced, they cannot ensure with absolute certainty that our policy objectives will be met in every instance. Because of the inherent limitations of all such systems, our internal controls over financial reporting may not always prevent or detect misstatements. Failure to maintain effective internal control over financial reporting could adversely affect our ability to accurately and timely report financial results, to prevent or detect fraud, or to comply with the requirements of the SEC or the Sarbanes-Oxley Act of 2002, which could necessitate a restatement of our financial statements, and/or result in an investigation, or the imposition of sanctions, by

regulators. Such failure could additionally expose us to litigation and/or reputational harm, impair our ability to obtain financing, or increase the cost of any financing we obtain. All of these impacts could adversely affect the price of our common stock and our business overall.

Legal and Regulatory Risk Factors

We are subject to many laws and regulations in the jurisdictions in which we operate; changes to such laws and regulations may result in additional costs and impact our operations. We are committed to upholding the highest standards of corporate governance and legal and ethical compliance. We are subject to many laws and regulations, including various laws and regulations that apply specifically to U.S. public companies. These include the rules and regulations of the New York Stock Exchange, the Sarbanes-Oxley Act of 2002, and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as the various regulations, standards, and guidance put forth by the SEC and other governmental agencies to implement and enforce those laws. New laws, rules, and regulations, or changes to existing laws or their interpretations, could create added legal and compliance costs and uncertainty for us. In addition, our United Kingdom operations are subject to laws and regulations that are in some cases different from those of the United States, including labor laws such as the U.K. Modern Slavery Act and laws and regulations governing information collected from employees, customers and others, specifically the GDPR. These laws and regulations could increase the cost and complexity of doing business in the U.K. and negatively impact our financial position and results of operations. Our efforts to comply with evolving laws, regulations, and reporting standards may increase our general and administrative expenses, divert management time and attention, or limit our operational flexibility, all of which could have a material adverse effect on our business, financial position, and results of operations. Many of our non-public competitors and competitors operating solely in the U.S. are not subject to these laws and regulations and the related costs and expenses of compliance.

Our failure to comply with environmental laws could result in significant liabilities. Our operations are subject to various laws, including environmental laws and regulations, among which many deal with the handling and disposal of asbestos and other hazardous or universal waste products, polychlorinated biphenyls (PCBs), per- and polyfluoroalkyl substances (PFAS) and fuel storage. A violation of such laws and regulations, or a release of such substances, has and may in the future, expose us to various claims, including claims by third parties, as well as remediation costs and fines. We own and lease many facilities. Some of these facilities contain hazardous materials, such as lead and asbestos, and fuel storage tanks, which may be above or below ground. If these tanks were to leak, we could be responsible for the cost of remediation as well as potential fines. As a part of our business, we also install fuel storage tanks and are sometimes required to deal with hazardous materials, all of which may expose us to environmental liability.

In addition, new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, exposure to or the release of materials subsequently identified as hazardous by a governmental authority, the imposition of new clean-up requirements, or the exposure of our employees or other contractors to hazardous materials, could require us to incur significant costs or become the basis for new or increased liabilities that could harm our financial position and results of operations, although certain of these costs might be covered by insurance. In some instances, we have obtained indemnification or covenants from third parties (including predecessors or lessors) for such clean-up and other obligations and liabilities, and we believe such indemnities and covenants are adequate to cover such obligations and liabilities. However, such third-party indemnities or covenants may not cover all of such costs or third-party indemnitors may default on their obligations. In addition, unanticipated obligations or liabilities, or future obligations and liabilities, may have a material adverse effect on our business operations. Further, we cannot be certain that we will be able to identify, or be indemnified for, all potential environmental liabilities relating to any acquired business.

Adverse resolution of litigation and other legal and regulatory proceedings may harm our operating results or financial position. From time to time, we are a party to lawsuits and other legal proceedings, most of which occur in the normal course of our business. These actions and proceedings may involve actual or threatened claims by customers, employees, or other third parties for, among other things, compensation or indemnification for alleged personal injury, workers' compensation, employment discrimination, breach of contract, property damage, or other general commercial disputes. In addition, we have been, and may in the future be, subject to class action claims alleging violations of the Fair Labor Standards Act and state wage and hour laws. Litigation and other legal proceedings can be expensive, lengthy, and disruptive to normal business operations, and their outcome is inherently uncertain and difficult to accurately predict or quantify. In addition, plaintiffs in many types of actions may seek punitive damages, civil penalties, consequential damages or other losses, or injunctive or declaratory relief. An unfavorable resolution of a particular legal proceeding or claim, whether through a settlement, mediation, court judgment, or otherwise, could have a material adverse effect on our business, operating results, financial position, and cash flows, and in some cases, on our reputation or our ability to obtain projects from customers, including governmental entities. See Item 3. Legal Proceedings and Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, for more information regarding any significant legal proceedings in which we are involved.

We may incur liabilities or suffer negative financial impacts relating to occupational, health, and safety matters. Our operations are subject to extensive laws and regulations relating to the maintenance of safe conditions in the workplace. While we have invested, and will continue to invest, substantial resources in our robust occupational, health, and safety programs, many of our businesses involve a high degree of operational risk, and there can be no assurance that we will avoid significant exposure. These hazards can cause personal injury and loss of life, severe damage to or destruction of property and equipment, and other consequential damages, and could lead to suspension of operations, large damage claims, an increase in employee turnover, and, in extreme cases, criminal liability. Any of the foregoing could result in financial losses or reputational harm, which could have a material adverse impact on our business, financial condition, and results of operations.

Our customers seek to minimize safety risks on their sites and they frequently review the safety records of contractors during the bidding process. Accordingly, if our safety record were to substantially deteriorate over time, we might become ineligible to bid on certain work and our customers could cancel our contracts and/or not award us future business.

Our failure to comply with anti-bribery statutes such as the Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010 could result in fines, criminal penalties, and other sanctions that could have an adverse effect on our business. The U.S. Foreign Corrupt Practices Act (the “FCPA”), the U.K. Bribery Act of 2010 (the “Bribery Act”), and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business or securing an improper advantage. From time to time, we conduct a limited amount of business in a few countries that have experienced corruption to some degree. Our policies require that all of our employees, subcontractors, vendors, and agents worldwide must comply with applicable anti-bribery laws. However, there is no assurance that our policies and procedures to ensure compliance with the FCPA, the Bribery Act, and similar anti-bribery laws, will eliminate the possibility of liability under such laws for actions taken by our employees, agents, and intermediaries. If we were found to be liable for violations under the FCPA, the Bribery Act, or similar anti-bribery laws, either due to our own acts or omissions or due to the acts or omissions of others, we could incur substantial legal expenses and suffer civil and criminal penalties or other sanctions, which could have a material adverse effect on our business, financial condition, and results of operations, as well as our reputation. In addition, whether or not such expenses, penalties, or sanctions are actually incurred, the actual or alleged violation of the FCPA, the Bribery Act, or any similar anti-bribery laws could have a negative impact on our reputation.

Opportunities within the government sector could lead to increased governmental rules and regulations applicable to us. As a government contractor, we are subject to a number of procurement rules and other regulations, any deemed violation of which could lead to fines or penalties or a loss of business. Government agencies routinely audit and investigate government contractors. Government agencies may review a contractor’s performance under its contracts, cost structure, and compliance with applicable laws, regulations, and standards. If government agencies determine through these audits or reviews that costs are improperly allocated to specific contracts, they will not reimburse the contractor for those costs or may require the contractor to refund previously reimbursed costs. If government agencies determine that we are engaged in improper activity, we may be subject to civil and criminal penalties and debarment or suspension from doing business with the government. Government contracts are also subject to renegotiation of terms by the government, termination by the government prior to the expiration of the term, and non-renewal by the government.

Human Capital and Labor Risk Factors

The departure of key personnel could disrupt our business. We depend on the continued efforts of our senior management. The loss of key personnel, including a temporary loss as a result of illness, or the inability to hire and retain qualified executives, could negatively impact our ability to manage our business.

We may be unable to attract and retain skilled employees. Our ability to grow and maintain productivity and profitability will be limited by our ability to employ, train, and retain skilled personnel necessary to meet our requirements. We are dependent upon a workforce of approximately 34,000 employees, including our project managers and field supervisors who are responsible for managing our projects, and there can be no assurance that any individual will continue in his or her capacity for any particular period of time. The loss of such qualified employees could have an adverse effect on our business. We cannot be certain that we will be able to maintain an adequate skilled labor force necessary to operate efficiently and to support our business strategy or that labor expenses will not increase as a result of a shortage in the supply of these skilled personnel. The availability and costs to adequately train and maintain a skilled labor force could be impacted by factors we cannot control, including changes in the unemployment rate, prevailing wage rates, benefit costs, the COVID-19 pandemic, and competition for labor from our competitors in the markets we serve. Labor shortages or increased labor costs could impair our ability to provide services to our customers, maintain our business, or grow our revenues.

Our unionized workforce could adversely affect our operations; our participation in many multiemployer pension plans could result in substantial liabilities being incurred. As of December 31, 2021, approximately 60% of our employees were covered by collective bargaining agreements. Although the majority of these agreements prohibit strikes and work stoppages, we cannot be certain that strikes or work stoppages will not occur in the future. However, only two of our collective bargaining agreements are national or regional in scope, and not all of our collective bargaining agreements expire at the same time. Strikes or work stoppages likely would adversely impact our relationships with our customers and could have a material adverse effect on our financial position, results of operations, and cash flows. We contribute to approximately 200 multiemployer pension plans. Under the Employee Retirement Income Security Act, we may become liable for our proportionate share of a multiemployer pension plan's underfunding if we cease to contribute to that pension plan or significantly reduce the employees in respect of which we make contributions to that pension plan. Our potential liability for unfunded liabilities could be material. See Note 14 - Retirement Plans of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for additional information regarding multiemployer pension plans.

Risk Factors Related to the Ownership of our Common Stock

Certain provisions of our corporate governance documents could make an acquisition of us, or a substantial interest in us, more difficult. The following provisions of our certificate of incorporation and by-laws, as currently in effect, as well as Delaware law, could discourage potential proposals to acquire us, delay or prevent a change in control of us, or limit the price that investors may be willing to pay in the future for shares of our common stock:

- our certificate of incorporation permits our board of directors to issue “blank check” preferred stock and to adopt amendments to our by-laws;
- our by-laws contain restrictions regarding the right of our stockholders to nominate directors and to submit proposals to be considered at stockholder meetings;
- our certificate of incorporation and by-laws limit the right of our stockholders to call a special meeting of stockholders and to act by written consent; and
- we are subject to provisions of Delaware law, which prohibit us from engaging in any of a broad range of business transactions with an “interested stockholder” for a period of three years following the date such stockholder becomes classified as an interested stockholder.

Climate Change Related Risk Factors

Climate change and related environmental issues could have a material adverse impact on our business, financial condition, and results of operations. Climate change related events, such as increased frequency and severity of storms, floods, wildfires, droughts, hurricanes, freezing conditions, and other natural disasters, may have an adverse impact on our business, financial condition, and results of operation. While we have invested in programs to mitigate the risk that these events disrupt our ability to serve our customers, these events pose inherent risks regardless of where or how we conduct our business. For example, severe weather or a catastrophic natural disaster could negatively impact our and our customers' offices, facilities, or job sites. Access to clean water and reliable energy where we conduct our business is also critical to our operations. Accordingly, severe weather events or natural disasters have the potential to disrupt our and our customers' businesses and may cause us to experience work stoppages, project delays or cancellations, financial losses, and additional costs to resume operations, in addition to potential adverse impacts on the health and safety of our workforce and their ability to work or travel. Further, climate change poses direct physical risks to infrastructure across the industry sectors we serve, both as a result of chronic environmental changes, such as rising sea levels and temperatures, as well as acute events, such as hurricanes, droughts, and wildfires. These impacts and the costs to address them could result in fewer resources for strategic investment by our customers, which could result in a decrease in demand for certain of our services. Any of these events could have a material adverse impact on our business, financial condition, and results of operations.

We may be affected by market or regulatory responses to climate change. Growing public concern about climate change has resulted in the increased focus of local, state, regional, national, and international regulatory bodies on greenhouse gas (“GHG”) emissions and climate change issues. Legislation to regulate GHG emissions has periodically been introduced in the U.S. Congress, and there has been a wide-ranging policy debate, both in the United States and internationally, regarding the impact of these gases and possible means for their regulation. The Biden Administration has made climate change and the limitation of GHG emissions one of its primary objectives, including a renewed commitment to the Paris Agreement and a Nationally Determined Contribution under such agreement that aims to reduce U.S. emissions by 50-52%, compared to a 2005 baseline, by 2030. Several states and geographic regions in the United States have also adopted legislation and regulations to reduce emissions of GHGs. Additional legislation or regulation by these states and regions, the federal government, and/or any international agreements to which the United States may become a party, that control or limit GHG emissions, or otherwise seek to address climate change, could result in increased compliance costs for us and our clients or have other impacts on our

clients, including those who are involved in the exploration, production, or refining of fossil fuels, or who emit greenhouse gases through the combustion of fossil fuels, or through the mining, manufacture, utilization, or production of materials or goods. Such policy changes could increase the costs of projects for our clients or, in some cases, prevent a project from going forward, thereby potentially reducing the need for certain of our services, which could in turn have a material adverse effect on our business, financial condition, and results of operations. However, policy changes and climate legislation could also increase the overall demand for our services as our clients and partners work to comply with these policies, such as by decarbonizing their industries, transitioning from fossil fuels to renewable energy sources, reducing their energy consumption, and developing integrated and sustainable solutions, all of which could have a positive impact on our business. We cannot predict with certainty what the effect of such regulation may be on us or our customers.

We may be unable to achieve our current or future climate commitments and targets, or we may incur substantial costs in meeting such targets. To help mitigate the impacts of GHG emissions on climate change, EMCOR has established initial carbon-based fuel consumption and GHG emission reduction targets. However, achievement of such targets, or similar targets that may be established in the future, is subject to risks and uncertainties, many of which are outside of our control. These risks and uncertainties include, but are not limited to: (a) our ability to execute our operational strategies and achieve our goals within the currently projected costs and the expected timeframes; (b) the availability and cost of alternative fuels, electrical charging infrastructure, off-site renewable energy, and other materials and components; (c) unforeseen design, operational, and technological difficulties; (d) the outcome of research efforts and future technology developments, including the availability of alternate or more fuel efficient vehicles for our fleet, including hybrid or electric vehicles; (e) regulations and requirements that restrict or prohibit our ability to impose requirements on third party contractors; (f) an acquisition of or merger with another company that has not adopted similar targets and goals or whose progress towards reaching its goals is not as advanced as ours; and (g) the pace of recovery from the COVID-19 pandemic, which could result in fluctuations in our fuel consumption and GHG emissions in a given period. In addition, we could be required to expend amounts in future periods as we continue to work towards achieving our targets, which may have a material effect on our business, financial condition, results of operations, or liquidity.

General Risk Factors

Public health emergencies, epidemics, or pandemics, including the COVID-19 pandemic, impact our business. The impact of the global spread of COVID-19, and the responses of governments, businesses, and individuals to combat it, have caused significant volatility, uncertainty, and economic disruption, which has and may continue to adversely impact our operations and those of our customers. Government authorities in the United States and United Kingdom have at various times recommended or imposed certain social distancing, quarantine, and isolation measures to varying degrees, with many such measures impacting large portions of the population. These measures have included limitations on travel and mandatory cessation of certain business activities, some of which have been relaxed or adjusted and others of which remain in effect. Both the outbreak and the containment and mitigation measures resulted in serious adverse impacts on the economy, some of which are ongoing, and both the severity and duration of those impacts and the extent and pace of economic recovery continue to remain uncertain.

Our workforce and ongoing operations have been, are, and may continue to be impacted by the COVID-19 pandemic. For example, we have experienced disruptions that have impacted our ability to perform our work. Such impacts include, but are not limited to, access restrictions and temporary job site shutdowns, reduced labor efficiency resulting from adherence to physical distancing, quarantine, and isolation requirements due to illness or exposure to an infected person, and other enhanced safety protocols mandated at the majority of our worksite locations, and the deferral of maintenance and service projects by our customers. The extent to which the COVID-19 pandemic will continue to impact our business and results of operations remains highly uncertain and will be affected by a number of factors. These include the duration and extent of the pandemic; the potential for additional variants of the virus that are more virulent, contagious, or against which current vaccines are less effective; the duration and extent of containment and mitigation measures that continue to be imposed or recommended; the widespread adoption and long-term efficacy of vaccines and the availability and efficacy of other treatments; the cost and/or disruption of testing that may be required of our employees either by customer requirements or government mandates; the continued impact of the pandemic on economic activity, including on planning and funding for construction projects and our customers' demand for our services; supply chain disruptions or commodity price volatility that could impact our and our vendors' ability to source the supplies and materials needed to operate our business; our ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of our customers to pay us for services rendered; any further closures of our and our customers' offices and facilities; and any additional project delays or shutdowns. Customers may also continue to delay decision-making, delay planned work, or seek to terminate existing agreements. Any of these events could have a material adverse effect on our business, financial condition, results of operations, and/or stock price.

While the emergency temporary standard requiring employers with 100 or more employees to ensure their workforce is fully vaccinated or to require unvaccinated workers to produce a negative test result on at least a weekly basis (the “ETS”) has been withdrawn by the Occupational Safety and Health Administration (“OSHA”), and Executive Order 14042 mandating vaccination for all federal contractors and subcontractors is currently stayed by the courts, it is unclear whether OSHA or another federal agency will mandate vaccination and/or testing. Costs related to any mandatory testing, including both the costs of tests and the costs to compensate employees for the time to undergo such testing, will likely represent a substantial expense to the Company, which could have a material adverse effect on our business, financial condition, and/or results of operations to the extent that a significant portion of our workforce does not choose to become vaccinated.

On January 10, 2022, the Biden Administration announced that it would require insurance companies and group health plans to cover the cost of at-home COVID-19 tests. As we are self-insured for employee-related healthcare claims, this new requirement could result in an additional expense for the Company. It is not possible at this time to determine the impact of this new requirement or whether it could have a material adverse effect on our financial condition and/or results of operations.

Additionally, as many of our employees periodically access our systems remotely, in part as a result of the COVID-19 pandemic and the potential business or facility closures or reduced or staggered in-person attendance, we may be subject to heightened security risks, including the risks of cyber-attacks. Further, if any of our key personnel are unable to perform their duties for a period of time, including as a result of illness, our results of operations could be adversely affected.

Our business, financial condition, results of operations, and/or stock price could also be adversely affected in the future by the effects of another epidemic or pandemic, or otherwise by the spread of contagious diseases other than COVID-19. Such effects could be similar to those of the COVID-19 pandemic or could impact our business in different ways, including supply-chain disruptions, restrictions on our ability to provide services in the regions affected, adverse impacts on our workforce, and impacts to the U.S. or global economy or financial markets generally.

Terrorist attacks and other catastrophic events could disrupt our operations and services. Acts of terrorism and other catastrophic events, and the actions taken by the United States and/or other governments or actors in response to such events, may result in property damage, supply disruption, or economic dislocations throughout the country. Although it is not possible to predict such events or their consequences, these events could increase the volatility of our financial results due to decreased demand and unforeseen costs, with partial or no corresponding compensation from clients.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We own a limited number of facilities; however, the majority of our operations are conducted at leased properties, which are located throughout the United States and United Kingdom. These properties consist of offices, warehouses, fabrication shops, and maintenance and cleaning facilities. We do not consider any one of these locations to be material to our operations. We believe that our facilities are well maintained, in good operating condition, and suitable for the purposes for which they are used.

See Note 16 - Leases of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for additional information regarding our leases. We utilize substantially all of our leased or owned facilities and believe there will be no difficulty either in negotiating the renewal of such leases as they expire or in finding alternative space, if necessary.

ITEM 3. LEGAL PROCEEDINGS

We are involved in several legal proceedings in which damages and claims have been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. We record a loss contingency if the potential loss from a proceeding or claim is considered probable and the amount can be reasonably estimated or a range of loss can be determined. We provide disclosure when it is reasonably possible that a loss will be incurred in excess of any recorded provision. Significant judgment is required in these determinations. As additional information becomes available, we reassess prior determinations and may change our estimates. Additional claims may be asserted against us in the future. Litigation is subject to many uncertainties, and the outcome of litigation is not predictable with assurance. It is possible that a litigation matter for which liabilities have not been recorded could be decided unfavorably to us, and that any such unfavorable decision could have a material adverse effect on our financial position, results of operations, or liquidity.

ITEM 4. MINE SAFETY DISCLOSURES

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95.1 to this Form 10-K.

EXECUTIVE OFFICERS OF THE REGISTRANT

Anthony J. Guzzi, Age 57; President since October 2004, Chief Executive Officer since January 2011 and Chairman of the Board since June 2018. From October 2004 to January 2011, Mr. Guzzi served as Chief Operating Officer of the Company. From August 2001 until he joined the Company, Mr. Guzzi was President of the North American Distribution and Aftermarket Division of Carrier Corporation (“Carrier”). Carrier is a manufacturer and distributor of commercial and residential HVAC and refrigeration systems and equipment and a provider of aftermarket services and components of its own products and those of other manufacturers in both the HVAC and refrigeration industries.

Mark A. Pompa, Age 57; Executive Vice President and Chief Financial Officer of the Company since April 2006 and Treasurer of the Company from October 2019 to June 2020. From June 2003 to April 2006, Mr. Pompa was Senior Vice President-Chief Accounting Officer of the Company, and from June 2003 to January 2007, Mr. Pompa also served as Treasurer of the Company. From September 1994 to June 2003, Mr. Pompa was Vice President and Controller of the Company.

R. Kevin Matz, Age 63; Executive Vice President-Shared Services of the Company since December 2007 and Senior Vice President-Shared Services from June 2003 to December 2007. From April 1996 to June 2003, Mr. Matz served as Vice President and Treasurer of the Company and Staff Vice President-Financial Services of the Company from March 1993 to April 1996.

Maxine L. Mauricio, Age 50; General Counsel and Secretary of the Company since January 2016 and Executive Vice President since February 2021. Ms. Mauricio was a Senior Vice President of the Company from January 2016 to February 2021. From January 2012 to December 2015, Ms. Mauricio was Vice President and Deputy General Counsel of the Company, and from May 2002 to December 2011, she served as Assistant General Counsel of the Company. Prior to joining the Company, Ms. Mauricio was an associate at Ropes & Gray LLP.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information. Our common stock trades on the New York Stock Exchange under the symbol "EME."

Holder. As of February 18, 2022, there were approximately 480 stockholders of record.

Dividends. We have paid quarterly dividends since October 25, 2011. We expect that such quarterly dividends will be paid for the foreseeable future. Prior to October 25, 2011, no cash dividends had been paid on the Company's common stock. We currently pay a regular quarterly dividend of \$0.13 per share. Our 2020 Credit Agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.13 per share for the foreseeable future. See Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our 2020 Credit Agreement.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes repurchases of our common stock made by us during the quarter ended December 31, 2021:

Period	Total Number of Shares Purchased ⁽¹⁾⁽²⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plan or Programs
October 1, 2021 to October 31, 2021	13,800	\$114.95	13,800	\$361,120,633
November 1, 2021 to November 30, 2021	47,466	\$120.06	47,466	\$355,421,942
December 1, 2021 to December 31, 2021	41,607	\$120.49	41,607	\$350,408,840
Total	<u>102,873</u>	\$119.55	<u>102,873</u>	

(1) In September 2011, our Board of Directors (the "Board") authorized a share repurchase program allowing us to begin repurchasing shares of our outstanding common stock. Subsequently, the Board has from time to time increased the amount of our common stock that we may repurchase under such program. Since the inception of the repurchase program, the Board has authorized us to repurchase up to \$1.45 billion of our outstanding common stock. As of December 31, 2021, there remained authorization for us to repurchase approximately \$350.4 million of our shares. No shares have been repurchased by us since the program was announced other than pursuant to such program. Refer to Note 12 - Common Stock of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our share repurchase program.

(2) Excludes 1,518 shares surrendered to the Company by participants in our share-based compensation plans to satisfy minimum tax withholdings for common stock issued under such plans.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Business Description

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services;
- United States mechanical construction and facilities services;
- United States building services;
- United States industrial services; and
- United Kingdom building services.

For a more complete description of our operations, refer to Item 1. Business.

Our reportable segments reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings. Consequently, we have included and updated the year-over-year discussion and analysis of results of operations for 2020 compared to 2019 to reflect these changes.

COVID-19 and Market Update

As a result of the COVID-19 pandemic, we experienced significant disruptions throughout calendar year 2020, which impacted our ability to execute on our remaining performance obligations in many of the markets in which we operate. The economic and operational impact of the pandemic, which were most acute during the second quarter of 2020, negatively affected our results of operations during such period and continued to impact portions of our business in 2021. However, our strong balance sheet and operational flexibility have allowed us to manage through the ongoing impacts of the pandemic while protecting our cash flow and liquidity.

Although the majority of our businesses have largely recovered from the financial impacts of the COVID-19 pandemic experienced in 2020, as evidenced by our consolidated performance and the growth in our remaining performance obligations, our United States industrial services segment continues to be negatively impacted by the lingering effects of the pandemic. The prolonged impacts of lower demand and the overall lagging recovery of the oil and gas market have resulted in customers of this segment canceling or deferring regularly scheduled maintenance projects, reducing capital spending, implementing various cost cutting measures, and closing certain of their facilities. Such customer actions continue to impact the demand for our service offerings within this segment.

We continue to monitor the short- and long-term impacts of the pandemic. While our employees and customers have adapted to a new work environment and there continues to be scientific, societal, and economic progress to address the effects of COVID-19, including the widespread availability of effective vaccines in the markets we serve, there remains significant uncertainty about the future impacts of the pandemic, or any resulting market disruption or volatility, including the potential effects on our operations. We continue to be cautiously optimistic about the markets in which we operate and the customers we serve; however, should there be a slowdown in economic activity due to surges in the number of cases, or an increase in variants of the virus that are more virulent, contagious, or against which current vaccines are less effective, it is possible that projects could be delayed or canceled or that we could experience access restrictions to our customers' facilities, preventing us from performing maintenance and service projects. The extent to which our business and results of operations are impacted in future periods will also depend upon a number of other factors. These include the duration and extent of the pandemic; limitations on the ability of our employees to perform their work due to illness caused by the pandemic or local, state, or federal orders requiring employees to quarantine; the cost and/or disruption of testing that may be required of our employees either by customer requirements or government mandates; the extent, duration, and effective execution of government stabilization and recovery efforts; the widespread adoption and long-term efficacy of vaccines and the availability and efficacy of other treatments; our customers' demand for our services; our ability to continue to safely and effectively operate in this environment; and the ability of our customers to pay us for services rendered.

While the emergency temporary standard requiring employers with 100 or more employees to ensure their workforce is fully vaccinated or to require unvaccinated workers to produce a negative test result on at least a weekly basis (the “ETS”) has been withdrawn by the Occupational Safety and Health Administration (“OSHA”), and Executive Order 14042 mandating vaccination for all federal contractors and subcontractors is currently stayed by the courts, it is unclear whether OSHA or another federal agency will mandate vaccination and/or testing. Costs related to any mandatory testing, including both the costs of tests and the costs to compensate employees for the time to undergo such testing, will likely represent a substantial expense to the Company, which could have a material adverse effect on our business, financial condition, and/or results of operations to the extent that a significant portion of our workforce does not choose to become vaccinated.

On January 10, 2022, the Biden Administration announced that it would require insurance companies and group health plans to cover the cost of at-home COVID-19 tests. As we are self-insured for employee-related healthcare claims, this new requirement could result in an additional expense for the Company. It is not possible at this time to determine the impact of this new requirement or whether it could have a material adverse effect on our financial condition and/or results of operations.

Supply chain disruptions, material shortages, or escalating commodity prices have and may continue to negatively impact our business. For example, we have experienced lead times significantly in excess of normal levels and have seen the effects of inflation through increases in commodity and material prices. Despite these challenges, to date, we have been able to manage our business through enhanced labor planning and project scheduling, increased pricing to the extent contractually permitted, and by leveraging our relationships with our suppliers and customers, resulting in only modest disruptions to our project and service work within the majority of our reportable segments. However, the impact of the COVID-19 pandemic on our vendors and the pricing and availability of materials or supplies utilized in our operations continues to evolve and may have an adverse impact on our operations in future periods. While we believe our remaining performance obligations are firm, customers may also slow decision-making, delay planned work, or seek to terminate existing agreements. Any of these events could have a material adverse effect on our business, financial condition, and/or results of operations.

2021 versus 2020

Overview

The following table presents selected financial data for the fiscal years ended December 31, 2021 and 2020 (in thousands, except percentages and per share data):

	2021	2020
Revenues	\$9,903,580	\$8,797,061
Revenues increase (decrease) from prior year	12.6 %	(4.1)%
Gross profit	\$1,501,737	\$1,395,382
Gross profit as a percentage of revenues	15.2 %	15.9 %
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	\$ —	\$ 232,750
Operating income	\$ 530,800	\$ 256,834
Operating income as a percentage of revenues	5.4 %	2.9 %
Net income attributable to EMCOR Group, Inc.	\$ 383,532	\$ 132,943
Diluted earnings per common share	\$ 7.06	\$ 2.40

Revenues of \$9.90 billion for the year ended December 31, 2021 set a new annual record for the Company and represent an increase of 12.6% from revenues of \$8.80 billion for the year ended December 31, 2020. As described in further detail below, we experienced revenue growth within all of our reportable segments.

Operating income for 2021 was \$530.8 million, or 5.4% of revenues, compared to operating income of \$256.8 million, or 2.9% of revenues, in 2020. Our operating results for the year ended December 31, 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company’s operating margin for 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income increased by \$41.2 million for the year ended December 31, 2021, as a result of increased operating income contribution from all of our reportable segments, except for our United States industrial services segment, which continues to be impacted by the effect of adverse market conditions on the demand for its service offerings, as described in further detail below.

Net income of \$383.5 million, or \$7.06 per diluted share, for the year ended December 31, 2021, compares favorably to net income of \$132.9 million, or \$2.40 per diluted share, for the year ended December 31, 2020. While such increases were largely attributable to the growth in operating income referenced above, net income and diluted earnings per common share for the year ended December 31, 2021 also benefited from a more normalized income tax rate, as our tax rate in the prior year was negatively impacted by the non-cash impairment charges recorded in 2020, the majority of which were non-deductible for tax purposes. Our diluted earnings per share for 2021 additionally benefited from a reduced weighted average share count given the impact of common stock repurchases made by us throughout 2020 and 2021.

Impact of Acquisitions

In order to provide a more meaningful period-over-period discussion of our operating results, we may discuss amounts generated or incurred (revenues, gross profit, selling, general and administrative expenses and operating income) from companies acquired. The amounts discussed reflect the acquired companies' operating results in the current reported period only for the time period these entities were not owned by EMCOR in the comparable prior reported period.

We acquired eight companies in 2021 for total consideration of \$131.2 million. Such acquisitions include: (a) two companies, the results of operations of which were de minimis, included within our United States mechanical construction and facilities services segment, consisting of: (i) a company that provides mechanical services within the Southern region of the United States and (ii) a company that provides fire protection services in the Midwestern region of the United States, (b) two companies that provide electrical construction services for a broad array of customers in the Midwestern region of the United States, the results of operations of which have been included in our United States electrical construction and facilities services segment, and (c) four companies included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services across North Texas and (ii) three companies, the results of operations of which were de minimis, that bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions.

We acquired three companies in 2020 for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services within the Washington, D.C. metro area, and (c) a company, the results of operations of which were de minimis, that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment.

Companies acquired in 2021 and 2020 generated incremental revenues of \$196.3 million and incremental operating income of \$4.0 million, inclusive of \$11.5 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2021.

Discussion and Analysis of Results of Operations

Revenues

The following table presents our revenues for each of our operating segments and the approximate percentages that each segment's revenues were of total revenues for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 2,015,466	20 %	\$ 1,806,092	20 %
United States mechanical construction and facilities services	3,922,864	40 %	3,485,495	40 %
United States building services	2,468,892	25 %	2,134,016	24 %
United States industrial services	986,407	10 %	940,895	11 %
Total United States operations	<u>9,393,629</u>	<u>95 %</u>	<u>8,366,498</u>	<u>95 %</u>
United Kingdom building services	509,951	5 %	430,563	5 %
Total operations	<u>\$ 9,903,580</u>	<u>100 %</u>	<u>\$ 8,797,061</u>	<u>100 %</u>

As described in more detail below, revenues for the year ended December 31, 2021 increased to \$9.90 billion compared to \$8.80 billion for the year ended December 31, 2020. The increase in revenues for the year ended December 31, 2021 was attributable to revenue growth within all of our reportable segments. Companies acquired in 2021 and 2020 generated incremental revenues of \$196.3 million in 2021.

Revenues of our United States electrical construction and facilities services segment were \$2,015.5 million for the year ended December 31, 2021 compared to revenues of \$1,806.1 million for the year ended December 31, 2020. Excluding the impact of acquisitions, the increase in revenues of this segment for the year ended December 31, 2021 was primarily attributable to: (a) a resumption of project activity within certain major metropolitan areas, where work was previously postponed due to access restrictions caused by the various containment and mitigation measures mandated in the prior year by certain of our customers and/or governmental authorities in response to the COVID-19 pandemic, leading to: (i) an increase in commercial market sector revenues and (ii) greater short-duration project volumes in the current year, (b) an increase in public works projects in the Western region of the United States, resulting in greater revenue contribution from the institutional market sector, (c) revenue growth within the healthcare market sector, due to greater construction project activity in the Northeastern region of the United

States, and (d) an increase in telecommunication project activity within the commercial market sector. The results of this segment for the year ended December 31, 2021 included \$93.1 million of incremental revenues generated by companies acquired in 2021. The revenue increases referenced above were partially offset by a reduction in revenues within the manufacturing and transportation market sectors due to the completion or substantial completion of certain projects in the Northeastern and Western regions of the United States.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2021 were \$3,922.9 million, a \$437.4 million increase compared to revenues of \$3,485.5 million for the year ended December 31, 2020. The increase in this segment's revenues for the year ended December 31, 2021 was attributable to revenue growth within the majority of the market sectors in which we operate, including: (a) the commercial market sector, driven by: (i) the continued build-out of our customers' e-commerce supply chains, which has resulted in increased demand for our fire protection services within their warehousing and distribution facilities, (ii) continued growth in digital processing, cloud computing, and data storage, which has resulted in an increase in telecommunication construction project opportunities, and (iii) increased demand for our mechanical construction services by customers within the biotech, life-sciences, and pharmaceutical industries, as well as certain customers engaged in the production and development of electric vehicles and/or lithium batteries, (b) the healthcare market sector, due to increased mechanical system retrofits and installations as our healthcare customers seek to upgrade their existing facilities or build new facilities, (c) the manufacturing market sector, inclusive of certain large food processing projects, which began to accelerate during the second half of 2021, and (d) the water and wastewater market sector, given increased project activity within the Southern region of the United States. These increases were partially offset by the completion or substantial completion of certain projects within the institutional market sector, which resulted in a reduction of revenues within such sector during 2021.

Revenues of our United States building services segment were \$2,468.9 million and \$2,134.0 million for the years ended December 31, 2021 and 2020, respectively. Excluding incremental acquisition revenues within this segment's mobile mechanical services division of \$103.2 million, this segment's revenue growth for the year ended December 31, 2021 was primarily attributable to: (a) greater project, service repair and maintenance, and building automation and controls activities within our mobile mechanical services operations, as well as an increase in project volume within our commercial site-based services operations, in both cases, partially as a result of a resumption in demand for certain of our service offerings when compared to the prior year, which was negatively impacted by the COVID-19 pandemic given the temporary closure of certain customer facilities, (b) a net increase in facilities maintenance contract revenues, partially as a result of new contract awards, (c) increased customer demand, stemming in part from the COVID-19 pandemic, for certain services aimed at either: (i) improving the indoor air quality or (ii) enhancing the cleaning protocols within their facilities, and (d) an increase in snow removal activity year-over-year within our commercial site-based services division.

Revenues of our United States industrial services segment for the year ended December 31, 2021 were \$986.4 million, a \$45.5 million increase compared to revenues of \$940.9 million for the year ended December 31, 2020. The increase in this segment's revenues for the year ended December 31, 2021 was attributable to greater revenues from both our field services and shop services operations during the second half of 2021, when compared to the same prior year period. While this segment's revenues throughout the majority of both 2021 and 2020 were negatively impacted by the adverse market conditions within the oil and gas and related industrial markets, the impact on the demand for its service offerings was most severe during the second half of 2020, resulting in a favorable comparison in the current year. Although the demand for oil and other refined products has not returned to pre-pandemic levels, the oil and gas industry continues to recover and we remain cautiously optimistic that the demand for our traditional industrial services will continue to improve in future periods. Revenues of this segment for the year ended December 31, 2021 additionally benefited from the completion of a 200-megawatt solar project by certain subsidiaries of this segment during 2021.

Our United Kingdom building services segment revenues were \$510.0 million in 2021 compared to \$430.6 million in 2020. The increase in this segment's revenues for the year ended December 31, 2021 was primarily a result of growth in project activities with existing customers, primarily within the commercial and water and wastewater market sectors, partially as a result of a resumption in demand as customers began to release projects which were previously deferred due to the uncertainty created by the COVID-19 pandemic. Similar to our United States building services segment, this segment additionally experienced increased revenues resulting from greater demand for services aimed at enhancing the cleaning protocols within its customers' facilities in response to COVID-19. This segment's revenues for the year ended December 31, 2021 were positively impacted by \$34.6 million related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Cost of sales and gross profit

The following table presents cost of sales, gross profit (revenues less cost of sales), and gross profit margin (gross profit as a percentage of revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>2020</u>
Cost of sales	\$8,401,843	\$7,401,679
Gross profit	\$1,501,737	\$1,395,382
Gross profit margin	15.2 %	15.9 %

Our gross profit for the year ended December 31, 2021 was \$1,501.7 million, a \$106.4 million increase compared to gross profit of \$1,395.4 million for the year ended December 31, 2020. The increase in gross profit for the year ended December 31, 2021 was predominately a result of increased gross profit contribution from our United States construction segments and our United States building services segment given greater revenue volume during 2021. In addition, we experienced an increase in gross profit within our United Kingdom building services segment due, in part, to both increased revenue and gross profit margin expansion when compared to 2020.

Our gross profit margin was 15.2% and 15.9% for 2021 and 2020, respectively. The decrease in gross profit margin for the year ended December 31, 2021 was predominantly attributable to a reduction in gross profit margin within all of our reportable segments, except for our United Kingdom building services segment. Refer to the operating income section below for further discussion regarding the operating performance of each of our reportable segments.

Selling, general and administrative expenses

The following table presents selling, general and administrative expenses and SG&A margin (selling, general and administrative expenses as a percentage of revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>2020</u>
Selling, general and administrative expenses	\$ 970,937	\$ 903,584
SG&A margin	9.8 %	10.3 %

Our selling, general and administrative expenses for the year ended December 31, 2021 were \$970.9 million compared to selling, general and administrative expenses of \$903.6 million for the year ended December 31, 2020. For the year ended December 31, 2021, selling, general and administrative expenses included \$19.2 million of incremental expenses directly related to companies acquired in 2021 and 2020, including amortization expense attributable to identifiable intangible assets of \$4.3 million. Excluding incremental expenses from businesses acquired, our selling, general and administrative expenses increased by \$48.2 million for the year ended December 31, 2021. Such organic increase in selling, general and administrative expenses was primarily attributable to an increase in: (a) employee benefit costs, driven by greater medical claim activity related in part to the COVID-19 pandemic, (b) incentive compensation expense, predominantly within our United States construction segments and our United States building services segment given greater operating income when compared to the prior year, (c) salaries, as a result of: (i) an increase in headcount to support our organic revenue growth in the current year and (ii) the favorable impact in the prior year of certain short-term cost cutting measures enacted in response to the COVID-19 pandemic, including temporary furloughs and salary reductions, (d) computer hardware and software costs as a result of various information technology and cybersecurity initiatives currently in process, and (e) the provision for credit losses, within our United States industrial services segment, which included \$5.8 million of expense associated with two customer bankruptcies during 2021.

Selling, general and administrative expenses as a percentage of revenues were 9.8% and 10.3% for 2021 and 2020, respectively. The decrease in SG&A margin for the year ended December 31, 2021 was a result of an increase in revenues without a commensurate increase in overhead costs, as we were able to leverage our existing overhead cost structure.

Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets

During the second quarter of 2020, we identified certain indicators of impairment resulting from the COVID-19 pandemic and its impact on the oil and gas and related industrial markets. These adverse conditions resulted in lower forecasted revenue and operating margin expectations for those of our businesses that are highly dependent on the strength of such markets, resulting in the recognition, during 2020, of impairment charges totaling \$232.8 million within our United States industrial services segment.

Despite the weaker results of our United States industrial services segment for the year ended December 31, 2021, when compared to historical periods, we did not identify any indicators of impairment in the current year, as the operating performance of this segment remained materially consistent with our near term expectations and forecasts. Further, we performed our annual impairment assessment as of October 1, 2021 and determined that the fair value of the industrial reporting unit remained in excess of its carrying value. However, a further deterioration in this segment's operating performance, significant adverse changes to external market conditions or the assumptions utilized in our impairment tests, such as the weighted average cost of capital and our internal forecasts, if any, could result in the identification of future impairment indicators and potentially future goodwill impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such charge would be material to our results of operations.

Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating margin (operating income (loss) as a percentage of such segment's revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	2021	% of Segment Revenues	2020	% of Segment Revenues
Operating income (loss):				
United States electrical construction and facilities services	\$ 168,363	8.4 %	\$ 161,810	9.0 %
United States mechanical construction and facilities services	319,112	8.1 %	292,536	8.4 %
United States building services	119,024	4.8 %	114,159	5.3 %
United States industrial services	(1,666)	(0.2)%	1,175	0.1 %
Total United States operations	604,833	6.4 %	569,680	6.8 %
United Kingdom building services	27,998	5.5 %	20,660	4.8 %
Corporate administration	(102,031)	—	(98,542)	—
Restructuring expenses	—	—	(2,214)	—
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	—	—	(232,750)	—
Total operations	530,800	5.4 %	256,834	2.9 %
Other items:				
Net periodic pension (cost) income	3,625		2,980	
Interest expense	(6,071)		(9,009)	
Interest income	949		1,521	
Income before income taxes	<u>\$ 529,303</u>		<u>\$ 252,326</u>	

As described in more detail below, operating income was \$530.8 million, or 5.4% of revenues, for the year ended December 31, 2021, compared to operating income of \$256.8 million, or 2.9% of revenues, for the year ended December 31, 2020. Our operating results for 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company's operating margin in 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income increased by \$41.2 million for the year ended December 31, 2021, as a result of increased operating income contribution from all of our reportable segments, except for our United States industrial services segment, which continues to be impacted by the effect of adverse market conditions on the demand for its service offerings. Companies acquired in 2021 and 2020, generated incremental operating income of \$4.0 million, inclusive of \$11.5 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2021.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2021 was \$168.4 million compared to operating income of \$161.8 million for the year ended December 31, 2020. Companies acquired in 2021 contributed incremental operating income of \$3.7 million, inclusive of \$4.9 million of amortization expense associated with identifiable intangible assets. Excluding such acquisition contribution, operating income of this segment increased a modest \$2.9 million for the year ended December 31, 2021. Gross profit gains from construction projects within the institutional and healthcare market sectors, primarily as a result of the revenue growth within these market sectors, as referenced above, were largely offset by gross profit declines within the transportation and manufacturing market sector, given the completion or close-out of certain projects in the prior year. Operating margins within this segment for the years ended December 31, 2021 and 2020 were 8.4% and 9.0%, respectively. The decrease in operating margin year-over-year was a result of a decline in this segment's gross profit margin during 2021, predominantly within: (a) the commercial market sector,

partially due to a change in the composition of project work performed period-over-period, and (b) the transportation market sector as the results for the prior year benefited from the successful close-out of several large construction projects within the Northeastern region of the United States.

Our United States mechanical construction and facilities services segment's operating income for the year ended December 31, 2021 was \$319.1 million, a \$26.6 million increase compared to operating income of \$292.5 million for the year ended December 31, 2020. The increase in operating income for 2021 was a result of an increase in gross profit from construction projects within the majority of the market sectors in which we operate, driven by increased revenue volume year-over-year. Operating margins within this segment for the years ended December 31, 2021 and 2020 were 8.1% and 8.4%, respectively. The 30 basis point reduction in this segment's operating margin in 2021 was primarily a result of a decrease in gross profit margin within the manufacturing market sector as: (a) the results for the prior year benefited from the favorable close-out of several projects and (b) the results for the current year include increased revenues from certain large food processing projects, for which we are acting as the construction manager and therefore carry lower than average gross profit margins. This decrease in gross profit margin was partially offset by a reduction in the ratio of selling, general and administrative expenses to revenues given an increase in segment revenues without a commensurate increase in overhead costs.

Operating income of our United States building services segment for the year ended December 31, 2021 was \$119.0 million, or 4.8% of revenues, compared to operating income of \$114.2 million, or 5.3% of revenues, for the year ended December 31, 2020. The increase in this segment's operating income for 2021 was primarily due to the resumption in demand for certain of our service offerings when compared to the prior year, which led to increased gross profit from project, service repair and maintenance, and building automation and controls activities within our mobile mechanical services operations, and project volumes within our commercial site-based services operations. In addition, gross profit for the year ended December 31, 2021 benefited from greater snow removal activity for our customers with whom we are contracted on a per snow event basis. Companies acquired in 2021 and 2020, which are included within this segment's mobile mechanical services division, generated incremental operating income of approximately \$0.7 million, inclusive of \$6.2 million of amortization expense associated with identifiable intangible assets, during 2021. The 50 basis point reduction in operating margin for the year ended December 31, 2021 was attributable to a decrease in gross profit margin, partially offset by a reduction in the ratio of selling, general and administrative expenses to revenues as this segment was able to effectively leverage its overhead cost structure during this period of revenue growth. The decline in gross profit margin resulted from a less favorable mix of work within this segment's mobile mechanical services division, including a greater number of fixed price capital projects, which traditionally have lower gross profit margins than the other service and repair offerings of this segment. Gross profit margin of this segment in 2021 was also negatively impacted by: (a) supply chain disruptions, including longer lead times for certain materials and equipment, which resulted in a greater amount of unabsorbed labor costs in instances where projects were delayed pending the receipt of materials, and (b) an escalation in fuel prices for its fleet of over 4,000 service vans, a portion of which we were unable to pass along to our customers.

Our United States industrial services segment reported an operating loss of \$1.7 million for the year ended December 31, 2021 compared to operating income of \$1.2 million for the year ended December 31, 2020. Operating margin of this segment was (0.2)% and 0.1% for 2021 and 2020, respectively. Despite the increase in annual revenues compared to full year 2020, this segment's operating results continue to be negatively impacted by the adverse macroeconomic conditions within the oil and gas industry. For example, pricing pressure from the customers of this segment has resulted in a lower margin portfolio of work, and therefore a decrease in gross profit when compared to the prior year, within both our field services and shop services operations. In addition to the effect of lower gross profit, operating income of this segment was negatively impacted by an increase in the provision for credit losses, which included approximately \$5.8 million of expense associated with two customer bankruptcies during 2021, which resulted in a 60 basis point reduction to this segment's operating margin.

Our United Kingdom building services segment operating income for the year ended December 31, 2021 was \$28.0 million, or 5.5% of revenues, which compares favorably to operating income of \$20.7 million, or 4.8% of revenues, for the year ended December 31, 2020. The increase in this segment's operating income and operating margin for 2021 was primarily a result of an increase in gross profit and gross profit margin from projects within the commercial market sector, partially offset by an increase in selling, general and administrative expenses to support the segment's revenue growth. In addition, this segment's operating income and operating margin for the year ended December 31, 2021 benefited from successful contract close-outs during 2021. This segment's operating income was positively impacted by \$2.1 million during 2021 related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Our corporate administration expenses were \$102.0 million for 2021 compared to \$98.5 million in 2020. The increase in corporate administration expenses for the year ended December 31, 2021 was primarily due to: (a) an increase in employment costs, such as: (i) long-term incentive compensation expense given higher projected future operating results, as our expectations during 2020 were negatively impacted by the uncertainty created by the COVID-19 pandemic, and (ii) salaries, inclusive of certain non-recurring severance expenses associated with the continued realignment of our back office functions, and (b) a net increase in computer hardware, software, and consulting costs, as a result of various information technology and cybersecurity initiatives currently in process.

Other items

Interest expense was \$6.1 million and \$9.0 million for 2021 and 2020, respectively, and interest income was \$0.9 million and \$1.5 million for 2021 and 2020, respectively. The decrease in both interest expense and interest income for 2021 resulted from lower interest rates when compared to 2020. In addition, the decrease in interest expense was partially attributable to reduced average outstanding borrowings year-over-year.

Our income tax provision for the year ended December 31, 2021 was \$145.6 million, based on an income tax rate of 27.5%, compared to an income tax provision and an income tax rate of \$119.4 million and 47.3%, respectively, for the year ended December 31, 2020. Our income tax rate, and resulting income tax provision, for the year ended December 31, 2020 were impacted by the tax effect of the \$232.8 million of non-cash goodwill, identifiable intangible asset, and other long-lived asset impairment charges recorded during 2020, the majority of which was non-deductible for tax purposes.

Remaining Unsatisfied Performance Obligations

The following table presents the transaction price allocated to remaining unsatisfied performance obligations (“remaining performance obligations”) for each of our reportable segments and their respective percentage of total remaining performance obligations (in thousands, except for percentages):

	<u>December 31, 2021</u>	<u>% of Total</u>	<u>December 31, 2020</u>	<u>% of Total</u>
Remaining performance obligations:				
United States electrical construction and facilities services	\$ 1,210,568	22 %	\$ 1,055,089	23 %
United States mechanical construction and facilities services	3,320,359	59 %	2,673,293	58 %
United States building services	838,324	15 %	618,353	13 %
United States industrial services	111,838	2 %	117,212	3 %
Total United States operations	<u>5,481,089</u>	98 %	<u>4,463,947</u>	97 %
United Kingdom building services	118,208	2 %	130,673	3 %
Total operations	<u>\$ 5,599,297</u>	100 %	<u>\$ 4,594,620</u>	100 %

Remaining performance obligations increase with awards of new contracts and decrease as we perform work and recognize revenue on existing contracts. We include a project within our remaining performance obligations at such time as the project is awarded and agreement on contract terms has been reached. Our remaining performance obligations include amounts related to contracts for which a fixed price contract value is not assigned when a reasonable estimate of the total transaction price can be made.

Remaining performance obligations include unrecognized revenues to be realized from uncompleted construction contracts. Although many of our construction contracts are subject to cancellation at the election of our customers, in accordance with industry practice, we do not limit the amount of unrecognized revenue included within remaining performance obligations for these contracts as the risk of cancellation is very low due to the inherent substantial economic penalty that our customers would incur upon cancellation or termination. We believe our reported remaining performance obligations for our construction contracts are firm and contract cancellations have not had a material adverse effect on us.

Remaining performance obligations also include unrecognized revenues expected to be realized over the remaining term of service contracts. However, to the extent a service contract includes a cancellation clause which allows for the termination of such contract by either party without a substantive penalty, the remaining contract term, and therefore, the amount of unrecognized revenues included within remaining performance obligations, is limited to the notice period required for the termination.

Our remaining performance obligations are comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business, (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which the variable consideration constraint does not apply, and (e) other forms of variable consideration to the extent that such variable consideration has been included within the transaction price of our contracts. Such claim and other variable consideration amounts were immaterial for all periods presented.

Our remaining performance obligations at December 31, 2021 were \$5.60 billion compared to \$4.59 billion at December 31, 2020. The increase in remaining performance obligations year-over-year was primarily attributable to an increase in remaining performance obligations within our United States construction segments, driven by the award of various construction projects within the majority of the market sectors in which we operate, most notably: (a) the commercial market sector, inclusive of certain semiconductor projects, (b) the manufacturing market sector, inclusive of several food processing projects, and (c) the healthcare, institutional, and water and wastewater market sectors. In addition, we experienced an increase in remaining performance obligations within our United States building services segment given increased project opportunities within its mobile mechanical services division and the award of several facilities maintenance contracts within its commercial site-based services division. Remaining performance obligations increased by \$162.8 million as a result of acquisitions during 2021.

2020 versus 2019

Overview

The following table presents selected financial data for the fiscal years ended December 31, 2020 and 2019 (in thousands, except percentages and per share data):

	2020	2019
Revenues	\$8,797,061	\$9,174,611
Revenues (decrease) increase from prior year	(4.1)%	12.8 %
Gross profit	\$1,395,382	\$1,355,868
Gross profit as a percentage of revenues	15.9 %	14.8 %
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	\$ 232,750	\$ —
Operating income	\$ 256,834	\$ 460,892
Operating income as a percentage of revenues	2.9 %	5.0 %
Net income attributable to EMCOR Group, Inc.	\$ 132,943	\$ 325,140
Diluted earnings per common share	\$ 2.40	\$ 5.75

Revenues of \$8.80 billion for the year ended December 31, 2020 decreased by 4.1% from revenues of \$9.17 billion for the year ended December 31, 2019. As discussed in further detail below, such decrease in revenues was largely attributable to revenue declines within our United States industrial services segment, as a result of a decrease in demand for our service offerings within the oil and gas and related industrial markets given the negative macroeconomic conditions impacting these markets. In addition, we experienced a decrease in revenues within our United States electrical construction and facilities services segment, due to: (a) the effects of the COVID-19 pandemic on our operations during 2020, which resulted in: (i) a decrease in the number of short duration projects and (ii) project delays or access restrictions resulting from the various containment and mitigation measures mandated by certain of our customers and/or governmental authorities, and (b) a reduction in commercial market sector activities given the completion or substantial completion of several projects. These revenue declines were partially offset by revenue growth within our United States mechanical construction and facilities services segment and our United States building services segment, inclusive of the impact of businesses acquired, as discussed below, as well as an increase in revenues of our United Kingdom building services segment.

Operating income for 2020 was \$256.8 million, or 2.9% of revenues, compared to operating income of \$460.9 million, or 5.0% of revenues, in 2019. Our operating results for the year ended December 31, 2020 included \$232.8 million of non-cash impairment charges within our United States industrial services segment, which negatively impacted the Company's operating margin for 2020 by approximately 270 basis points. Excluding the impact of such impairments, operating income and operating margin for the twelve months ended December 31, 2020 increased by \$28.7 million and 60 basis points, respectively, primarily as a result of favorable execution within our United States construction segments, as described in further detail below.

Net income of \$132.9 million, or \$2.40 per diluted share, for the year ended December 31, 2020, compares unfavorably to net income of \$325.1 million, or \$5.75 per diluted share, for the year ended December 31, 2019. The decline in both net income and diluted earnings per common share are a result of the aforementioned impairment charges and the related tax effects as the majority of such charges were non-deductible for tax purposes.

Impact of Acquisitions

We acquired three companies in 2020 for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services within the Washington, D.C. metro area, and (c) a company, the results of operations of which were de minimis, that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment.

On November 1, 2019, we completed the acquisition of Batchelor & Kimball, Inc. (“BKI”), a leading full service provider of mechanical construction and maintenance services, for total consideration of \$220.3 million. This acquisition strengthens our position and broadens our capabilities in the Southern and Southeastern regions of the United States, and the results of its operations have been included within our United States mechanical construction and facilities services segment. In addition to BKI, during 2019, we completed six other acquisitions for total consideration of \$85.4 million. Such acquisitions include: (a) a company that provides electrical contracting services in central Iowa, the results of operations of which have been included within our United States electrical construction and facilities services segment, (b) a company that provides mechanical contracting services in south-central and eastern Texas, the results of operations of which have been included within our United States mechanical construction and facilities services segment, and (c) four companies included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services in the Southern region of the United States and (ii) three companies, the results of operations of which were de minimis, which bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions.

Companies acquired in 2020 and 2019 generated incremental revenues of \$269.6 million and incremental operating income of \$15.4 million, inclusive of \$16.0 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2020.

Discussion and Analysis of Results of Operations

Revenues

The following table presents our revenues for each of our operating segments and the approximate percentages that each segment’s revenues were of total revenues for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 1,806,092	20 %	\$ 1,961,798	21 %
United States mechanical construction and facilities services	3,485,495	40 %	3,340,337	36 %
United States building services	2,134,016	24 %	2,121,661	23 %
United States industrial services	940,895	11 %	1,327,556	15 %
Total United States operations	<u>8,366,498</u>	95 %	<u>8,751,352</u>	95 %
United Kingdom building services	430,563	5 %	423,259	5 %
Total operations	<u>\$ 8,797,061</u>	100 %	<u>\$ 9,174,611</u>	100 %

As described in more detail below, revenues for the year ended December 31, 2020 decreased to \$8.80 billion compared to \$9.17 billion for the year ended December 31, 2019. Revenue declines within our United States industrial services segment, as a result of a decrease in demand for our service offerings within the oil and gas and related industrial markets, and our United States electrical construction and facilities services segment, as described in further detail below, were partially offset by revenue growth within our United States mechanical construction and facilities services segment, our United States building services segment, and our United Kingdom building services segment. Companies acquired in 2020 and 2019, which are reported in our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment and our United States building services segment, generated incremental revenues of \$269.6 million in 2020.

Revenues of our United States electrical construction and facilities services segment were \$1,806.1 million for the year ended December 31, 2020 compared to revenues of \$1,961.8 million for the year ended December 31, 2019. The decrease in revenues was attributable to: (a) the effects of the COVID-19 pandemic on our operations during 2020, which resulted in: (i) a decrease in the number of short duration projects and (ii) project delays or access restrictions resulting from the various containment and mitigation measures mandated by certain of our customers and/or governmental authorities, and (b) a decline in revenues from

construction projects within the commercial market sector, as a result of the completion or substantial completion of several projects. The results for the year ended December 31, 2020 included \$25.4 million of incremental revenues generated by a company acquired in 2019.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2020 were \$3,485.5 million, a \$145.2 million increase compared to revenues of \$3,340.3 million for the year ended December 31, 2019. The results for the year ended December 31, 2020 included \$188.8 million of incremental revenues generated by companies acquired in 2019. Excluding the impact of acquisitions, revenues of this segment decreased by \$43.7 million, primarily as a result of a decline in revenues from: (a) the manufacturing market sector, inclusive of certain large food processing construction projects, and (b) several telecommunications and technology projects. Similar to our United States electrical construction and facilities services segment, revenues of this segment were also negatively impacted by the effects of the COVID-19 pandemic during 2020, which resulted in project delays and temporary job site shutdowns, as well as a decrease in the number of short duration projects. These revenue reductions were partially offset by increased revenues from the majority of the remaining market sectors in which we operate, most notably the institutional, transportation, and commercial market sectors.

Revenues of our United States building services segment were \$2,134.0 million and \$2,121.7 million for the years ended December 31, 2020 and 2019, respectively. Excluding acquisition revenues of \$55.4 million, this segment's revenues decreased by approximately \$43.0 million during the year ended December 31, 2020. Such reduction in revenues was primarily attributable to: (a) decreased project and controls activities within our mobile mechanical services operations, largely as a result of the impact of the COVID-19 pandemic during 2020, which resulted in fewer project opportunities given the temporary closure of certain customer facilities, (b) decreased large project activity within our energy services operations, primarily as a result of the completion of certain projects which were active in 2019, and (c) the loss of certain contracts not renewed pursuant to rebid within our government services business. These revenue declines were partially offset by increased customer demand for certain services aimed at improving the indoor air quality within their facilities as well as an increase in revenues within our commercial site-based services operations, as a result of new contract awards and scope expansion on certain contracts with existing customers.

Revenues of our United States industrial services segment for the year ended December 31, 2020 were \$940.9 million, a \$386.7 million decrease compared to revenues of \$1,327.6 million for the year ended December 31, 2019. Revenues of this segment for the year ended December 31, 2020 were negatively impacted by adverse market conditions including unprecedented volatility in the price of crude oil, largely as a result of a decline in demand caused by the COVID-19 pandemic. Such macroeconomic conditions led to a decrease in demand for our services, which resulted in: (a) a decrease in maintenance and capital project activity within our field services operations and (b) a reduction in new build heat exchanger sales and a decrease in maintenance, repair, and hydro blast cleaning services within our shop services operations. In addition, revenues for the year ended December 31, 2020 were negatively impacted by project stoppages resulting from hurricanes, including certain named storms, within the Gulf Coast region.

Our United Kingdom building services segment revenues were \$430.6 million in 2020 compared to \$423.3 million in 2019. The year-over-year increase in revenues within this segment was primarily attributable to: (a) an increase in revenues from new maintenance contract awards within the commercial market sector, and (b) increased project activity with existing customers, primarily within the water and wastewater market sector, despite reduced opportunities for project work brought upon by the temporary closure of certain customer facilities and the temporary suspension of capital spending as a result of the COVID-19 pandemic in the first half of 2020. This segment's revenues during 2020 were positively impacted by \$2.3 million related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Cost of sales and gross profit

The following table presents cost of sales, gross profit, and gross profit margin for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	2019
Cost of sales	\$7,401,679	\$7,818,743
Gross profit	\$1,395,382	\$1,355,868
Gross profit margin	15.9 %	14.8 %

Our gross profit for the year ended December 31, 2020 was \$1,395.4 million, a \$39.5 million increase compared to gross profit of \$1,355.9 million for the year ended December 31, 2019. Our gross profit margin was 15.9% and 14.8% for 2020 and 2019, respectively. The increase in gross profit and gross profit margin for the year ended December 31, 2020 was predominantly a result of improved operating performance within both of our United States construction segments, as described in further detail below, despite the challenges brought on by the COVID-19 pandemic.

Selling, general and administrative expenses

The following table presents selling, general and administrative expenses and SG&A margin, for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	2019
Selling, general and administrative expenses	\$ 903,584	\$ 893,453
SG&A margin	10.3 %	9.7 %

Our selling, general and administrative expenses for the year ended December 31, 2020 were \$903.6 million compared to selling, general and administrative expenses of \$893.5 million for the year ended December 31, 2019. For the year ended December 31, 2020, selling, general and administrative expenses included \$29.6 million of incremental expenses directly related to companies acquired in 2020 and 2019, including amortization expense attributable to identifiable intangible assets of \$9.5 million. Excluding incremental expenses from businesses acquired, our selling, general and administrative expenses for 2020 decreased by \$19.4 million, primarily as a result of certain cost reductions resulting from, or actions taken in response to, the COVID-19 pandemic, including: (a) a reduction in certain discretionary spending, such as travel and entertainment costs, (b) a decrease in salary expense due to: (i) a reduction in headcount, resulting from lower revenues than in the same 2019 period, and (ii) certain short-term cost cutting measures, including temporary furloughs and salary reductions, and (c) a decrease in employee benefit costs, partially due to a decline in medical claims. These cost reductions were partially offset by an increase in incentive compensation expense, predominantly within our United States mechanical construction and facilities services segment, due to improved operating performance by several of our subsidiaries when compared to 2019.

Selling, general and administrative expenses as a percentage of revenues were 10.3% and 9.7% for 2020 and 2019, respectively. The increase in SG&A margin for the year ended December 31, 2020 was primarily due to a reduction in revenues without a commensurate decrease in certain of our overhead costs, including: (a) certain fixed costs within our United States industrial services segment, despite the significant revenue decline within such segment, and (b) the above referenced increase in incentive compensation expense.

Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets

During the second quarter of 2020, we identified certain indicators of impairment resulting from the uncertainties caused by the COVID-19 pandemic and the significant volatility in the price of crude oil. These uncertainties resulted in lower forecasted revenue and operating margin expectations for those of our businesses that are highly dependent on the strength of the oil and gas and related industrial markets, resulting in the recognition, during 2020, of impairment charges totaling \$232.8 million within our United States industrial services segment.

Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating margin for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	% of Segment Revenues	2019	% of Segment Revenues
Operating income (loss):				
United States electrical construction and facilities services	\$ 161,810	9.0 %	\$ 147,817	7.5 %
United States mechanical construction and facilities services	292,536	8.4 %	225,040	6.7 %
United States building services	114,159	5.3 %	115,432	5.4 %
United States industrial services	1,175	0.1 %	57,529	4.3 %
Total United States operations	<u>569,680</u>	6.8 %	<u>545,818</u>	6.2 %
United Kingdom building services	20,660	4.8 %	18,323	4.3 %
Corporate administration	(98,542)	—	(101,726)	—
Restructuring expenses	(2,214)	—	(1,523)	—
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	<u>(232,750)</u>	—	<u>—</u>	—
Total operations	<u>256,834</u>	2.9 %	<u>460,892</u>	5.0 %
Other items:				
Net periodic pension (cost) income	2,980		1,553	
Interest expense	(9,009)		(13,821)	
Interest income	1,521		2,265	
Income before income taxes	<u>\$ 252,326</u>		<u>\$ 450,889</u>	

As described in more detail below, operating income was \$256.8 million, or 2.9% of revenues, for the year ended December 31, 2020, compared to operating income of \$460.9 million, or 5.0% of revenues, for the year ended December 31, 2019. Our operating results for 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company's operating margin in 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income and operating margin for the year ended December 31, 2020 increased by \$28.7 million and 60 basis points, primarily as a result of favorable execution within our United States construction segments. Companies acquired in 2020 and 2019, which are reported in our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, and our United States building services segment, generated incremental operating income of \$15.4 million, inclusive of \$16.0 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2020.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2020 was \$161.8 million, or 9.0% of revenues, compared to operating income of \$147.8 million, or 7.5% of revenues, for the year ended December 31, 2019. A company acquired in 2019 contributed incremental operating income of \$1.6 million, inclusive of \$0.1 million of amortization expense associated with identifiable intangible assets, during 2020. The year-over-year increase in operating income and operating margin was largely attributable to an increase in gross profit and gross profit margin given favorable project execution and a more profitable mix of work within this segment during 2020. Improved profitability was experienced within: (a) the commercial market sector, inclusive of several telecommunication construction projects, despite the decrease in revenues within such market sector, (b) the manufacturing market sector, and (c) the transportation market sector, due to the successful completion or close-out of certain projects. These gross profit gains were partially offset by a reduction in gross profit from short duration project activities, given the effects of the COVID-19 pandemic, which led to fewer short duration project opportunities. Operating income of this segment for the year ended December 31, 2020 additionally benefited from a reduction in selling, general and administrative expenses, including a curtailment in certain discretionary spending, such as travel and entertainment costs, and a decrease in employee benefit costs, resulting from a decline in medical claims.

Our United States mechanical construction and facilities services segment's operating income for the year ended December 31, 2020 was \$292.5 million, a \$67.5 million increase compared to operating income of \$225.0 million for the year ended December 31, 2019. Companies acquired in 2019 contributed incremental operating income of \$9.3 million, inclusive of \$12.7 million of amortization expense associated with identifiable intangible assets for the year ended December 31, 2020. Excluding the impact of businesses acquired, annual operating income of this segment increased by approximately \$58.2 million. Despite the disruption caused by the COVID-19 pandemic during 2020, our United States mechanical construction and facilities services segment experienced an increase in gross profit from construction projects within the majority of the market sectors in which we operate. Operating margins within this segment for the years ended December 31, 2020 and 2019 were 8.4% and 6.7%, respectively. The year-over-year increase in operating margin for this segment was attributable to an increase in gross profit margin, primarily within: (a) the manufacturing market sector, driven by certain large food processing construction projects, and (b) the commercial market sector, inclusive of a number of technology and semiconductor projects, which reached substantial completion during the year. The increases in gross profit and gross profit margin were partially offset by an increase in selling, general and administrative expenses, as well as the ratio of selling, general and administrative expenses to revenues, largely as a result of an increase in incentive compensation expense due to the improved year-over-year operating performance and an increase in amortization expense associated with identifiable intangible assets resulting from companies acquired in 2019.

Operating income of our United States building services segment was \$114.2 million in 2020, compared to \$115.4 million in 2019. Operating margin of this segment was 5.3% and 5.4% for 2020 and 2019, respectively. Companies acquired in 2020, which are included within this segment's mobile mechanical services division, contributed incremental operating income of \$4.5 million, inclusive of \$3.2 million of amortization expense associated with identifiable intangible assets. The decrease in segment operating income for the year ended December 31, 2020 was primarily due to a decrease in gross profit resulting from: (a) a reduction in large project activity within our energy services operations, and (b) when excluding the impact of acquired businesses, reduced project and controls activities within our mobile mechanical services operations, largely as a result of the temporary closure of certain customer facilities impacted by the COVID-19 pandemic. These gross profit reductions were partially offset by increased gross profit from service repair and maintenance activities within our mobile mechanical services operations, partially as a result of increased customer demand for certain services aimed at improving the indoor air quality within their facilities. Operating income of this segment additionally benefited from an overall decrease in selling, general and administrative expenses due to certain cost reduction measures enacted during 2020.

Our United States industrial services segment's operating income for the year ended December 31, 2020 was \$1.2 million, or 0.1% of revenues, compared to \$57.5 million, or 4.3% of revenues, for the year ended December 31, 2019. As previously referenced, this segment's results for the year ended December 31, 2020 were severely impacted by adverse macroeconomic factors impacting the oil and gas industry. As a result of such conditions, this segment experienced a reduction in gross profit from both our field services and shop services operations due to: (a) a decrease in demand for our service offerings, (b) the deferral, curtailment, or cancellation of previously scheduled projects with certain customers, and (c) an unfavorable mix of work, which included a greater number of projects with lower than typical gross profit margins. The aforementioned decrease in gross profit was partially offset by a reduction in selling, general and administrative expenses during the year, including: (a) incentive compensation and salaries, (b) employee benefit costs, and (c) certain discretionary spending, such as travel and entertainment costs. The decrease in operating margin for the year ended December 31, 2020 was attributable to a decrease in gross profit margin resulting from the above noted factors, as well as an increase in the ratio of selling, general and administrative expenses to revenues due to a decrease in revenue without a commensurate decrease in certain of this segment's fixed overhead costs.

Our United Kingdom building services segment's operating income for the year ended December 31, 2020 was \$20.7 million, or 4.8% of revenues, which compares favorably to operating income of \$18.3 million, or 4.3% of revenues, for the year ended December 31, 2019. The increase in annual operating income of this segment was primarily a result of incremental gross profit from new maintenance contract awards. Exchange rate movements for the British pound versus the United States dollar did not have a significant impact on this segment's operating income for the twelve months ended December 31, 2020. The year-over-year increase in this segment's operating margin was attributable to an increase in gross profit margin, primarily as a result of a more favorable mix of work, and a decrease in the ratio of selling, general and administrative expenses to revenues.

Our corporate administration expenses were \$98.5 million for 2020 compared to \$101.7 million in 2019. The decrease in corporate administration expenses for the year ended December 31, 2020 was primarily due to: (a) a decrease in long-term incentive compensation expense, (b) a decrease in salary expense as a result of: (i) certain short-term cost cutting measures, including temporary furloughs and salary reductions, and (ii) permanent headcount reductions resulting from the realignment of certain of our back office functions, (c) curtailment in certain discretionary spending, such as travel and entertainment costs, and (d) a reduction in professional fees.

Other items

Interest expense was \$9.0 million and \$13.8 million for 2020 and 2019, respectively. Interest income was \$1.5 million and \$2.3 million for 2020 and 2019, respectively. The decrease in both interest expense and interest income for 2020 resulted from lower interest rates. The decrease in interest expense was partially offset by the impact of higher average outstanding borrowings during 2020.

Our income tax provision for the year ended December 31, 2020 was \$119.4 million based on an income tax rate of 47.3%, compared to an income tax provision and an income tax rate of \$125.7 million and 27.9%, respectively, for the year ended December 31, 2019. Our income tax rate and income tax provision for 2020 were impacted by the tax-effect of the \$232.8 million of non-cash goodwill, identifiable intangible asset, and other long-lived asset impairment charges recorded during 2020, the majority of which was non-deductible for tax purposes.

Liquidity and Capital Resources

The following section discusses our principal liquidity and capital resources, as well as our primary liquidity requirements and sources and uses of cash.

We are focused on the efficient conversion of operating income into cash to provide for the Company's material cash requirements, including working capital needs, investment in our growth strategies through business acquisitions and capital expenditures, satisfaction of contractual commitments, including principal and interest payments on our outstanding indebtedness, and shareholder return through dividend payments and share repurchases. We strive to maintain a balanced approach to capital allocation in order to achieve growth, deliver value, and minimize risk.

Management monitors financial markets and overall economic conditions for factors that may affect our liquidity and capital resources and adjusts our capital allocation strategy as necessary. For example, the uncertainty brought on by the COVID-19 pandemic in 2020 resulted in the temporary suspension of acquisition and share repurchase activity, during portions of such year, while we focused on maintaining operational flexibility. Negative macroeconomic trends could have an adverse effect on future liquidity if we experience delays in the payment of outstanding receivables beyond normal payment terms, an increase in credit losses, or significant increases in the price of commodities or the materials and equipment utilized for our project and service work. In addition, during economic downturns, there have typically been fewer small discretionary projects from the private sector and our competitors have aggressively bid larger long-term infrastructure and public sector contracts. Our liquidity is also impacted by: (a) the type and length of construction contracts in place, as performance of long duration contracts typically requires greater amounts of working capital, (b) the level of turnaround activities within our United States industrial services segment, as such projects are billed in arrears pursuant to contractual terms that are standard within the industry, and (c) the billing terms of our maintenance contracts, including those within our United States and United Kingdom building services segments. While we strive to negotiate favorable billing terms, which allow us to invoice in advance of costs incurred on certain of our contracts, there can be no assurance that such terms will be agreed to by our customers.

As of December 31, 2021, we had cash and cash equivalents, excluding restricted cash, of \$821.3 million, which are maintained in highly liquid investments with original maturity dates of three months or less. Both our short-term and long-term liquidity requirements are expected to be met through our cash and cash equivalent balances, cash generated from our operations, and, if necessary, the borrowing capacity under our revolving credit facility. Our credit agreement provides for a \$1.30 billion revolving credit facility, for which there is \$1.23 billion of available capacity as of December 31, 2021. Refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our credit agreement. Based upon our current credit rating and financial position, we can also reasonably expect to be able to secure long-term debt financing if required to achieve our strategic objectives; however, no assurances can be made that such debt financing will be available on favorable terms. We believe that we have sufficient financial resources available to meet our short-term and foreseeable long-term liquidity requirements.

Cash Flows

The following table presents our net cash provided by (used in) operating activities, investing activities, and financing activities (in thousands):

	2021	2020
Net cash provided by operating activities	\$ 318,817	\$ 806,366
Net cash used in investing activities	\$ (153,076)	\$ (94,863)
Net cash used in financing activities	\$ (245,456)	\$ (171,907)
(Decrease) increase in cash, cash equivalents, and restricted cash	\$ (80,994)	\$ 543,642

For the year ended December 31, 2021, our cash balance, including cash equivalents and restricted cash, decreased by approximately \$81.0 million from \$903.6 million as of December 31, 2020 to \$822.6 million as of December 31, 2021. Changes in our cash position from December 31, 2020 to December 31, 2021 are described in further detail below. For a discussion of the changes in our cash position from December 31, 2019 to December 31, 2020, refer to the Liquidity and Capital Resources section included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Form 10-K for the year ended December 31, 2020.

Operating Activities – Operating cash flows generally represent our net income as adjusted for certain non-cash items and changes in assets and liabilities. For 2021, net cash provided by operating activities was approximately \$318.8 million compared to approximately \$806.4 million of net cash provided by operating activities in 2020.

The \$487.5 million decrease in operating cash flows during 2021, when compared to 2020, was primarily attributable to strong organic revenue growth in the current year, which resulted in an increase in working capital balances, most notably accounts receivable and contract assets. In addition, operating cash flow in 2020 benefited from the deferral of approximately

\$117.5 million of certain non-income based taxes resulting from various government measures enacted in response to the COVID-19 pandemic, of which approximately \$66 million was repaid in 2021.

Investing Activities – Investing cash flows consist primarily of payments for the acquisition of businesses, capital expenditures, and proceeds from the sale or disposal of property, plant, and equipment. For 2021, we utilized approximately \$153.1 million of cash for investing activities compared to \$94.9 million in 2020. The increase in investing cash flows year-over-year was primarily driven by a \$67.9 million increase in payments for acquisitions, partially offset by a \$11.8 million reduction in capital expenditures.

Financing Activities – Financing cash flows consist primarily of the issuance and repayment of short-term and long-term debt, repurchases of common stock, payment of dividends to stockholders, and the issuance of common stock through certain employee equity plans. Net cash used in financing activities for 2021 was \$245.5 million compared to \$171.9 million in 2020.

The increase in cash used in financing activities in 2021, when compared to 2020, was primarily due to an \$83.0 million increase in funds used for the repurchase of our common stock. During the year ended December 31, 2021, cash payments related to share repurchases were \$195.5 million compared to \$112.6 million for the year ended December 31, 2020. The timing of repurchases is at management's discretion subject to securities laws and other legal requirements and will depend upon several factors, including market and business conditions, future liquidity, share price, and share availability, among others. The repurchase program has been and will be funded from our operations. For additional detail regarding our share repurchase program, refer to Note 12 - Common Stock of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

Throughout 2021, we paid a quarterly dividend of \$0.13 per share compared to a quarterly dividend of \$0.08 per share during 2020. For the years ended December 31, 2021 and 2020, cash payments related to dividends were \$28.2 million and \$17.7 million, respectively. Our credit agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.13 per share for the foreseeable future.

Material Cash Requirements from Contractual and Other Obligations

As of December 31, 2021, our short-term and long-term material cash requirements for known contractual and other obligations were as follows:

Outstanding Debt and Interest Payments – As of December 31, 2021, the amount outstanding under our term loan was \$256.7 million. Based on our outstanding balance, we are required to make annual principal payments of \$13.9 million on December 31 of each year until maturity. Any remaining unpaid principal is due on March 2, 2025, when the credit agreement governing our term loan expires. We have no direct borrowings outstanding under our revolving credit facility. In addition to annual principal payments, we are required to make quarterly interest payments on our outstanding indebtedness. Future interest payments will be determined based on prevailing interest rates during that time. Refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further detail of our debt obligations, including our term loan and revolving credit facility.

Operating and Finance Leases – In the normal course of business, we lease real estate, vehicles, and equipment under various arrangements which are classified as either operating or finance leases. Future payments for such leases, excluding leases with initial terms of one year or less, were \$317.8 million at December 31, 2021, with \$69.0 million payable within the next 12 months. Refer to Note 16 - Leases of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further detail surrounding our lease obligations and the timing of expected future payments.

Open Purchase Obligations – As of December 31, 2021, we had \$1.73 billion of open purchase obligations, of which payments totaling approximately \$1.50 billion are expected to become due within the next 12 months. These obligations represent open purchase orders to suppliers and subcontractors related to our construction and services contracts. These purchase orders are not reflected in the Consolidated Balance Sheets and are not expected to impact future liquidity as amounts should be recovered through customer billings.

Insurance Obligations – As described in further detail in Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, we have loss payment deductibles and/or self-insured retentions for certain insurance matters. As of December 31, 2021, our insurance liabilities, net of estimated recoveries, were \$178.6 million. Of this net amount, approximately \$35.2 million is estimated to be payable within the next 12 months. Due to many uncertainties inherent in resolving these matters, it is not practical to estimate these payments beyond such period.

Retirement Plan Obligations – As of December 31, 2021, expected future payments relating to our defined benefit post retirement plans were approximately \$4.6 million per year. We provide funding to our post retirement plans based on at least the minimum funding required by applicable regulations. In determining the minimum funding required, we utilize current actuarial assumptions and exchange rates to forecast amounts that may be payable. In our judgment, minimum funding estimates cannot be reliably estimated beyond a five-year time horizon. Refer to Note 14 - Retirement Plans of the notes to consolidated financial statements in Item 8. Financial Statements and Supplementary Data for further information about our post retirement plans.

Deferred Payroll Taxes – The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) allowed U.S. companies to defer the employer’s portion of social security taxes between March 27, 2020 and December 31, 2020. Our first installment of these deferred social security taxes, totaling approximately \$51 million, was paid in the fourth quarter of 2021 and our second installment of approximately \$51 million is expected to be paid in the fourth quarter of 2022.

Contingent Consideration Liabilities – We have incurred liabilities related to contingent consideration arrangements associated with certain acquisitions, payable in the event discrete performance objectives are achieved by the acquired businesses during designated post-acquisition periods. The aggregate amount of these liabilities can change due to additional business acquisitions, settlement of outstanding liabilities, changes in the fair value of amounts owed based on performance during such post-acquisition periods, and accretion in present value. As of December 31, 2021, the present value of expected future payments relating to these contingent consideration arrangements was \$11.8 million. Of this amount, \$5.6 million is estimated as being payable during 2022, with the remainder due substantially during 2023.

In addition, material cash requirements for other potential obligations, for which we cannot reasonably estimate future payments, include the following:

Legal Proceedings – We are involved in several legal proceedings in which damages and claims have been asserted against us. While litigation is subject to many uncertainties and the outcome of litigation is not predictable with assurance, we do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. Refer to Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for more information regarding legal proceedings.

Multiemployer Benefit Plans – In addition to our Company sponsored benefit plans, we participate in certain multiemployer pension and other post retirement plans. The cost of these plans is equal to the annual required contributions determined in accordance with the provisions of negotiated collective bargaining agreements. During 2021, 2020, and 2019, contributions made to these plans were \$396.5 million, \$360.2 million, and \$369.0 million, respectively; however, our future contributions to the multiemployer plans are dependent upon a number of factors. Amounts of future contributions that we would be contractually obligated to make pursuant to these plans cannot be reasonably estimated. Refer to Note 14 - Retirement Plans of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for more information regarding these multiemployer benefit plans.

Off-Balance Sheet Arrangements and Other Commercial Commitments

The terms of our construction contracts frequently require that we obtain from surety companies, and provide to our customers, surety bonds as a condition to the award of such contracts. These surety bonds are issued in return for premiums, which vary depending on the size and type of the bond, and secure our payment and performance obligations under such contracts. We have agreed to indemnify the surety companies for amounts, if any, paid by them in respect of surety bonds issued on our behalf. As of December 31, 2021, based on the percentage-of-completion of our projects covered by surety bonds, our aggregate estimated exposure, assuming defaults on all our then existing contractual obligations, was approximately \$1.5 billion, which represents approximately 26% of our total remaining performance obligations.

Surety bonds expire at various times ranging from final completion of a project to a period extending beyond contract completion in certain circumstances. Such amounts can also fluctuate from period to period based upon the mix and level of our bonded operating activity. For example, public sector contracts require surety bonds more frequently than private sector contracts and, accordingly, our bonding requirements typically increase as the amount of our public sector work increases. Our estimated maximum exposure as it relates to the value of the surety bonds outstanding is lowered on each bonded project as the cost to complete is reduced, and each commitment under a surety bond generally extinguishes concurrently with the expiration of its related contractual obligation.

Surety bonds are sometimes provided to secure obligations for wages and benefits payable to or for certain of our employees, at the request of labor unions representing such employees. In addition, surety bonds or letters of credit may be issued as collateral for certain insurance obligations. As of December 31, 2021, we satisfied approximately \$48.1 million and \$71.2 million of the collateral requirements of our insurance programs by utilizing surety bonds and letters of credit, respectively. All such letters of credit were issued under our revolving credit facility, therefore reducing the available capacity under such facility.

We are not aware of any losses in connection with surety bonds that have been posted on our behalf, and we do not expect to incur significant losses in the foreseeable future.

From time to time, we discuss with our current and other surety bond providers the amounts of surety bonds that may be available to us based on our financial strength and the absence of any default by us on any surety bond issued on our behalf and believe those amounts are currently adequate for our needs. However, if we experience changes in our bonding relationships or if there are adverse changes in the surety industry, we may: (a) seek to satisfy certain customer requests for surety bonds by posting other forms of collateral in lieu of surety bonds, such as letters of credit, parent company guarantees, or cash, in order to convince customers to forego the requirement for surety bonds, (b) increase our activities in our businesses that rarely require surety bonds, and/or (c) refrain from bidding for certain projects that require surety bonds.

There can be no assurance that we would be able to effectuate alternatives to providing surety bonds to our customers or to obtain, on favorable terms, sufficient additional work that does not require surety bonds. Accordingly, a reduction in the availability of surety bonds could have a material adverse effect on our financial position, results of operations, and/or cash flows.

In the ordinary course of business, we, at times, guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

We do not have any other material financial guarantees or off-balance sheet arrangements other than those disclosed herein.

Other Items

To help mitigate the impacts of greenhouse gas emissions on climate change, EMCOR has established initial carbon-based fuel consumption and greenhouse gas emission reduction targets, and will continue to refine such targets as necessary. Although to date we have not incurred any material costs or capital expenditures associated with achieving our targets, we could be required to expend amounts in future periods as we continue to work towards our goals. During 2021, EMCOR purchased carbon credits totaling nearly 25,000 metric tonnes, for approximately \$0.3 million. It is not possible, at this time, to estimate the impact that future costs and/or capital expenditures may have on our business, financial condition, results of operations, or liquidity.

New Accounting Pronouncements

We review new accounting standards to determine the expected impact, if any, that the adoption of such standards will have on our financial position and/or results of operations. See Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding new accounting standards, including the anticipated dates of adoption and the effects on our consolidated financial position, results of operations, or liquidity.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements is based on the application of significant accounting policies, which require management to make estimates and assumptions. Our significant accounting policies are described further in Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. We base our estimates on historical experience, known or expected trends, third-party valuations, and various other assumptions that we believe to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. There have been no significant changes to our critical accounting policies or methods for the year ended December 31, 2021. We believe the following critical accounting policies govern the more significant judgments and estimates used in the preparation of our financial statements.

Revenue Recognition from Contracts with Customers

For our construction contracts, revenue is generally recognized over time as our performance creates or enhances an asset that the customer controls as it is created or enhanced. Our fixed price construction projects generally use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. For our unit price construction contracts, progress towards complete satisfaction is measured through an output method, such as the number of units produced or delivered, when our performance does not produce significant amounts of work in process or finished goods prior to complete satisfaction of such performance obligations.

For our services contracts, revenue is also generally recognized over time as the customer simultaneously receives and consumes the benefits of our performance as we perform the service. For our fixed price service contracts with specified service periods, revenue is generally recognized on a straight-line basis over such service period when our inputs are expended evenly, and the customer receives and consumes the benefits of our performance throughout the contract term.

The timing of revenue recognition for the manufacturing of new build heat exchangers within our United States industrial services segment depends on the payment terms of the contract, as our performance does not create an asset with an alternative use to us. For those contracts for which we have a right to payment for performance completed to date at all times throughout our performance, inclusive of a cancellation, we recognize revenue over time. For these performance obligations, we use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. However, for those contracts for which we do not have a right, at all times, to payment for performance completed to date, we recognize revenue at the point in time when control is transferred to the customer. For bill-and-hold arrangements, revenue is recognized when the customer obtains control of the heat exchanger, which may be prior to shipping if certain recognition criteria are met.

For certain of our revenue streams, such as call-out repair and service work, outage services, refinery turnarounds, and specialty welding services that are performed under time and materials contracts, our progress towards complete satisfaction of such performance obligations is measured using an output method as the customer receives and consumes the benefits of our performance completed to date.

The nature of our contracts gives rise to several types of variable consideration, including pending change orders and claims; contract bonuses and incentive fees; and liquidated damages and penalties. We recognize revenue for such variable consideration when it is probable, in our judgment, that a significant future reversal in the amount of cumulative revenue recognized under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Company estimates the amount of variable consideration to be included in the transaction price utilizing one of two prescribed methods, depending on which method better predicts the amount of consideration to which the entity will be entitled.

Due to uncertainties inherent in the estimation process, as well as the significant judgment involved in determining variable consideration, it is possible that estimates of costs to complete a performance obligation, and/or our estimates of transaction prices, will be revised in the near-term. For those performance obligations for which revenue is recognized using a cost-to-cost input method, changes in total estimated costs, and related progress towards complete satisfaction of the performance obligation, or changes in the estimate of transaction prices, are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made.

During each of the years ended December 31, 2021, 2020, and 2019, there were no changes in total estimated costs that had a significant impact on our operating results. Additionally, there were no significant amounts of revenue recognized during the years ended December 31, 2021 or 2019 related to performance obligations satisfied in prior periods. During the year ended December 31, 2020, we recognized revenue of \$6.1 million associated with the final settlement of contract value for two projects within our United States electrical construction and facilities services segment that were completed or substantially completed in prior periods. For each of the years ended December 31, 2021, 2020, and 2019, there were no significant reversals of revenue recognized associated with the revision of transaction prices.

Due to the significant judgments utilized in the estimation process described above, if subsequent actual results and/or updated assumptions, estimates, or projections related to our underlying project positions were to change from those utilized at December 31, 2021, it could result in a material impact to our results of operations. For example, a 50 basis point increase or decrease in the estimated gross profit margin on our uncompleted construction projects, in the aggregate, as a result of a revision in estimated costs to complete a performance obligation or a revision in estimated transaction price, would have resulted in an increase or decrease to operating income of approximately \$60 million for the year ended December 31, 2021.

See Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further disclosure regarding revenue recognition.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recognized in the period we deliver goods or provide services to our customers or when our right to consideration is unconditional. The Company maintains an allowance for credit losses to reduce outstanding receivables to their net realizable value. A considerable amount of judgment is required when determining expected credit losses. Estimates of such losses are recorded when we believe a customer, or group of customers, may not be able to meet their financial obligations due to deterioration in financial condition or credit rating. Factors relevant to our assessment include our prior collection history with our customers, the related aging of past due balances, projections of credit losses based on historical trends in credit quality indicators or past events, and forecasts of future economic conditions. In addition to monitoring delinquent accounts, management reviews the credit quality of its receivables by, among other things, obtaining credit ratings of significant customers, assessing economic and market conditions, and evaluating material changes to a customer's business, cash flows, and financial condition.

At December 31, 2021 and 2020, our accounts receivable of \$2,204.5 million and \$1,922.1 million, respectively, were recorded net of allowances for credit losses of \$23.5 million and \$18.0 million, respectively. The increase in our allowance for credit losses was predominantly attributable to our evaluation of specific outstanding receivables within our United States industrial services segment. Allowances for credit losses are based on the best facts available and are reassessed and adjusted on a regular basis as additional information is received. The provision for credit losses during 2021, 2020, and 2019 amounted to approximately \$8.0 million, \$3.3 million, and \$2.6 million, respectively.

Should anticipated collections fail to materialize, or if future economic conditions compare unfavorably to our forecasts, we could experience an increase in our allowances for credit losses. For example, if economic conditions were to significantly deteriorate, such as to those experienced during the last global financial crisis, the portion of our allowance for credit losses, which is estimated based on our historical credit loss experience, could increase by up to approximately \$13.0 million.

Insurance Liabilities

We have loss payment deductibles for certain workers' compensation, automobile liability, general liability, and property claims, have self-insured retentions for certain other casualty claims, and are self-insured for employee-related healthcare claims. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Losses are recorded based upon estimates of our liability for claims incurred and for claims incurred but not reported. The liabilities are derived from known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary to determine the best estimate for the majority of these obligations. We believe the liabilities recognized on the Consolidated Balance Sheets for these obligations are adequate. However, such obligations are difficult to assess and estimate due to numerous factors, including severity of injury, determination of liability in proportion to other parties, timely reporting of occurrences, and effectiveness of safety and risk management programs. Therefore, if our actual experience differs from the assumptions and estimates used for recording the liabilities, adjustments may be required and will be recorded in the period that the experience becomes known. Our estimated net insurance liabilities for workers' compensation, automobile liability, general liability, and property claims increased by \$6.3 million for the year ended December 31, 2021 compared to the year ended December 31, 2020, partially as a result of greater potential exposures, including the impact of acquired companies. If our estimated insurance liabilities for workers' compensation, automobile liability, general liability, and property claims were to increase by 10%, it would have resulted in \$17.9 million of additional expense for the year ended December 31, 2021.

Income Taxes

As of December 31, 2021 and 2020, we had net deferred income tax liabilities of \$51.0 million and \$29.4 million, respectively, primarily resulting from differences between the carrying value and income tax bases of certain identifiable intangible assets, goodwill, and depreciable fixed assets. Included within these net deferred income tax liabilities are \$212.3 million and \$217.1 million of deferred income tax assets as of December 31, 2021 and 2020, respectively. The total valuation allowance on deferred income tax assets was approximately \$2.5 million and \$3.9 million as of December 31, 2021 and 2020, respectively. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based on our taxable income, which has generally exceeded the amount of our net deferred income tax asset balance, as well as current projections of future taxable income, we have determined that it is more likely than not that our net deferred income tax assets will be realized. However, revisions to our forecasts or declining macroeconomic conditions could result in changes to our assessment of the realization of these deferred income tax assets. Refer to Note 11 - Income Taxes of the notes to consolidated financial statements in Item 8. Financial Statements and Supplementary Data for further detail regarding our deferred income taxes.

Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets

Goodwill

As of December 31, 2021 and 2020, we had goodwill of \$890.3 million and \$851.8 million, respectively, arising out of the acquisition of businesses. Goodwill is not amortized but instead allocated to its respective reporting unit and evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of goodwill may be impaired. We have determined that our reporting units are consistent with the reportable segments identified in Note 18 - Segment Information of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. As of December 31, 2021, approximately 17.9% of our goodwill related to our United States electrical construction and facilities services segment, approximately 34.2% related to our United States mechanical construction and facilities services segment, approximately 35.1% related to our United States building services segment, and approximately 12.8% related to our United States industrial services segment.

We performed our annual impairment assessment of all reporting units as of October 1, 2021 and determined there was no impairment of goodwill. Based on these impairment assessments, the fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment exceeded their carrying values by approximately \$1,516.1 million, \$2,772.7 million, \$784.2 million, and \$40.6 million, respectively.

In completing our annual impairment assessment, we determined the fair value of each of our reporting units using an income approach whereby fair value was calculated utilizing discounted estimated future cash flows, assuming a risk-adjusted industry weighted average cost of capital. The weighted average cost of capital used in our annual impairment testing was 10.4% for our United States construction segments and our United States building services segment, and 11.3% for our United States industrial services segment. These weighted average cost of capital estimates were developed with the assistance of an independent third-party valuation specialist and reflect the overall level of inherent risk within the respective reporting unit and the rate of return a market participant would expect to earn.

Our cash flow projections were derived from our most recent internal forecasts of anticipated revenue growth rates and operating margins, with cash flows beyond the discrete forecast period estimated using a terminal value calculation which incorporated historical and forecasted trends, an estimate of long-term growth rates, and assumptions about the future demand for our services. The perpetual growth rate used for our annual testing was 2.0% for all of our reporting units.

Due to the inherent uncertainties involved in making estimates, our assumptions may change in future periods. Estimates and assumptions made for purposes of our goodwill impairment testing may prove to be inaccurate predictions of the future, and other factors used in assessing fair value, such as the weighted average cost of capital, are outside the control of management. Unfavorable changes in certain of these key assumptions may affect future testing results. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$103.6 million, \$185.5 million, \$74.5 million, and \$25.9 million, respectively. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$52.4 million, \$95.9 million, \$35.8 million, and \$9.5 million, respectively. Given the amounts by which the fair value exceeds the carrying value for each of our reporting units, the decreases in estimated fair values described above would not have significantly impacted the results of our impairment tests. Further, for each of our reporting units, other than our United States industrial services segment, a 10% decline in the estimated fair value of such reporting unit, due to other changes in our assumptions, including forecasted future cash flows, would not have significantly impacted the results of our impairment tests. In the case of our United States industrial services segment, however, such a 10% decrease would cause the estimated fair value of this reporting unit to approximate its carrying value.

Identifiable Intangible Assets and Other Long-Lived Assets

As of December 31, 2021 and 2020, net identifiable intangible assets (primarily consisting of our customer relationships, subsidiary trade names, developed technology/vendor network, and contract backlog) arising out of the acquisition of businesses were \$589.4 million and \$582.9 million, respectively. The determination of related estimated useful lives for identifiable intangible assets and whether those assets are impaired involves significant judgments based upon short- and long-term projections of future performance. These forecasts reflect assumptions regarding anticipated macroeconomic conditions as well as our ability to successfully integrate acquired businesses.

Absent earlier indicators of impairment, we test for impairment of subsidiary trade names that are not subject to amortization on an annual basis (October 1). In addition, we review for impairment of identifiable intangible assets that are being amortized as well as other long-lived assets whenever facts and circumstances indicate that their carrying values may not be fully recoverable.

As of October 1, 2021, we performed our annual impairment testing of all subsidiary trade names that are not subject to amortization and determined that there was no impairment of these assets. In performing this impairment assessment, we considered the sensitivity of the reported amounts to the methods, assumptions, and estimates underlying our testing. For example, we performed sensitivity analyses and concluded that, individually, none of the following changes in estimates or assumptions would have significantly impacted the results of our testing or resulted in an impairment of our subsidiary trade names: (a) a 50 basis point increase in the discount rate utilized in our testing, (b) a 50 basis point decline in the perpetual growth rate utilized in our testing, or (c) a 10% decrease in the estimated fair value of each trade name.

With respect to identifiable intangible assets that are being amortized as well as other long-lived assets, we did not identify any circumstances indicating that their carrying values may not be fully recoverable and, therefore, no impairment testing was required for these assets during the year ended December 31, 2021.

Other Considerations

As referenced above, impairment testing is based upon assumptions and estimates determined by management from a review of our operating results and business plans as well as forecasts of anticipated growth rates and margins, among other considerations. In addition, estimates of weighted average costs of capital are developed with the assistance of an independent third-party valuation specialist. These assumptions and estimates may change in future periods, especially in consideration of the uncertainty created by the COVID-19 pandemic and its potential impact on the broader economy and our results of operations in future periods, particularly with respect to our United States industrial services segment. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations.

Refer to Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information about our goodwill and identifiable intangible assets as well as our impairment testing, including the \$232.8 million of impairment charges recorded during the year ended December 31, 2020. For the year ended December 31, 2019, no impairment of our goodwill or identifiable intangible assets was recognized.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have not used any derivative financial instruments during the years ended December 31, 2021 and 2020, including trading or speculating on changes in interest rates or commodity prices of materials used in our business.

We are exposed to market risk for changes in interest rates for borrowings under the 2020 Credit Agreement, which provides for a revolving credit facility and a term loan. Borrowings under the 2020 Credit Agreement bear interest at variable rates. For further information on our outstanding debt and borrowing rates, refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. As of December 31, 2021, there were no direct borrowings outstanding under the 2020 Revolving Credit Facility; however, the balance of the 2020 Term Loan was \$256.7 million. Based on the \$256.7 million borrowings outstanding under the 2020 Credit Agreement, if overall interest rates were to increase by 100 basis points, interest expense, net of income taxes, would increase by approximately \$1.9 million in the next twelve months. Conversely, if overall interest rates were to decrease by 100 basis points, interest expense, net of income taxes, would decrease by approximately \$1.9 million in the next twelve months. The 2020 Credit Agreement expires on March 2, 2025.

At the end of 2021, one-week and two-month LIBOR were discontinued. It is expected that the remaining maturities of LIBOR will continue to be published through June 2023. We believe our exposure to market risk associated with the discontinuation of LIBOR is limited as: (a) our 2020 Credit Agreement contains provisions which allow for the use of alternate benchmark rates, (b) we have not historically utilized the maturities that were discontinued in 2021 for any transaction, including borrowings under our 2020 Credit Agreement, and (c) we are not exposed to any other material contracts that reference LIBOR.

We are exposed to construction market risk and its potential related impact on accounts receivable or contract assets on uncompleted contracts. The amounts recorded may be at risk if our customers' ability to pay these obligations is negatively impacted by economic conditions. We continually monitor the creditworthiness of our customers and maintain on-going discussions with customers regarding contract status with respect to change orders and billing terms. Therefore, we believe we take appropriate action to manage market and other risks, but there is no assurance that we will be able to reasonably identify all risks with respect to the collectability of these assets. See also the previous discussion of Accounts Receivable and Allowance for Credit Losses under the heading "Critical Accounting Policies and Estimates" in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Amounts invested in our foreign operations are translated into U.S. dollars at the exchange rates in effect at year end. The resulting translation adjustments are recorded as accumulated other comprehensive (loss) income, a component of equity, in the Consolidated Balance Sheets. We believe our exposure to the effects that fluctuating foreign currencies may have on our consolidated results of operations is limited because our foreign operations primarily invoice customers and collect obligations in their respective local currencies. Additionally, expenses associated with these transactions are generally contracted and paid for in their same local currencies.

In addition, we are exposed to market risk of fluctuations in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our construction, building services, and industrial services operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of approximately 12,000 vehicles. While we believe we can increase our contract prices to adjust for some price increases in commodities, there can be no assurance that such price increases, if they were to occur, would be recoverable. Additionally, our fixed price contracts generally do not allow us to adjust our prices and, as a result, increases in material costs could reduce our profitability with respect to projects in progress. Refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for further discussion regarding the impact of fluctuations in commodity and material prices on our results of operations for the year ended December 31, 2021.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 821,345	\$ 902,867
Accounts receivable, less allowance for credit losses of \$23,534 and \$18,031, respectively	2,204,519	1,922,096
Contract assets	230,143	171,956
Inventories	54,098	53,338
Prepaid expenses and other	80,889	70,679
Total current assets	3,390,994	3,120,936
Property, plant and equipment, net	152,066	158,427
Operating lease right-of-use assets	260,778	242,155
Goodwill	890,268	851,783
Identifiable intangible assets, net	589,365	582,893
Other assets	157,975	107,646
Total assets	\$ 5,441,446	\$ 5,063,840
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt and finance lease liabilities	\$ 16,235	\$ 16,910
Accounts payable	734,275	671,886
Contract liabilities	788,134	722,252
Accrued payroll and benefits	490,867	450,955
Other accrued expenses and liabilities	274,406	247,597
Operating lease liabilities, current	57,814	53,632
Total current liabilities	2,361,731	2,163,232
Long-term debt and finance lease liabilities	245,450	259,619
Operating lease liabilities, long-term	220,836	205,362
Other long-term obligations	360,340	382,383
Total liabilities	3,188,357	3,010,596
Equity:		
EMCOR Group, Inc. stockholders' equity:		
Preferred stock, \$0.10 par value, 1,000,000 shares authorized, zero issued and outstanding	—	—
Common stock, \$0.01 par value, 200,000,000 shares authorized, 60,737,006 and 60,571,140 shares issued, respectively	607	606
Capital surplus	61,874	47,464
Accumulated other comprehensive loss	(83,562)	(109,233)
Retained earnings	2,835,504	2,480,321
Treasury stock, at cost 7,437,268 and 5,815,240 shares, respectively	(562,036)	(366,490)
Total EMCOR Group, Inc. stockholders' equity	2,252,387	2,052,668
Noncontrolling interests	702	576
Total equity	2,253,089	2,053,244
Total liabilities and equity	\$ 5,441,446	\$ 5,063,840

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS
For The Years Ended December 31,
(In thousands, except per share data)

	2021	2020	2019
Revenues	\$ 9,903,580	\$ 8,797,061	\$ 9,174,611
Cost of sales	8,401,843	7,401,679	7,818,743
Gross profit	1,501,737	1,395,382	1,355,868
Selling, general and administrative expenses	970,937	903,584	893,453
Restructuring expenses	—	2,214	1,523
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	—	232,750	—
Operating income	530,800	256,834	460,892
Net periodic pension (cost) income	3,625	2,980	1,553
Interest expense	(6,071)	(9,009)	(13,821)
Interest income	949	1,521	2,265
Income before income taxes	529,303	252,326	450,889
Income tax provision	145,602	119,383	125,749
Net income including noncontrolling interests	383,701	132,943	325,140
Net income attributable to noncontrolling interests	169	—	—
Net income attributable to EMCOR Group, Inc.	<u>\$ 383,532</u>	<u>\$ 132,943</u>	<u>\$ 325,140</u>
Basic earnings per common share	<u>\$ 7.09</u>	<u>\$ 2.41</u>	<u>\$ 5.78</u>
Diluted earnings per common share	<u>\$ 7.06</u>	<u>\$ 2.40</u>	<u>\$ 5.75</u>
Dividends declared per common share	<u>\$ 0.52</u>	<u>\$ 0.32</u>	<u>\$ 0.32</u>

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For The Years Ended December 31,
(In thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net income including noncontrolling interests	\$ 383,701	\$ 132,943	\$ 325,140
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(360)	2,088	1,689
Changes in post retirement plans ⁽¹⁾	26,031	(22,033)	(3,315)
Other comprehensive income (loss)	<u>25,671</u>	<u>(19,945)</u>	<u>(1,626)</u>
Comprehensive income	409,372	112,998	323,514
Comprehensive income attributable to noncontrolling interests	169	—	—
Comprehensive income attributable to EMCOR Group, Inc.	<u>\$ 409,203</u>	<u>\$ 112,998</u>	<u>\$ 323,514</u>

(1) Net of tax (provision) benefit of \$(8.7) million, \$5.1 million, and \$0.7 million for the years ended December 31, 2021, 2020, and 2019, respectively.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For The Years Ended December 31,
(In thousands)

	2021	2020	2019
Cash flows - operating activities:			
Net income including noncontrolling interests	\$ 383,701	\$ 132,943	\$ 325,140
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	48,347	46,721	43,945
Amortization of identifiable intangible assets	64,089	59,950	48,142
Provision for credit losses	8,041	3,269	2,628
Deferred income taxes	9,517	(36,354)	1,701
Gain on sale or disposal of property, plant and equipment	(782)	(122)	(3,981)
Excess tax benefits from share-based compensation	(828)	(191)	(984)
Equity loss (income) from unconsolidated entities	1,170	(14)	2,990
Non-cash expense for amortization of debt issuance costs	960	998	1,186
Non-cash expense from contingent consideration arrangements	1,810	649	1,373
Non-cash expense for impairment of goodwill, identifiable intangible assets, and other long-lived assets	—	232,750	—
Non-cash share-based compensation expense	11,107	11,151	11,386
Distributions from unconsolidated entities	44	—	1,074
Changes in operating assets and liabilities, excluding the effect of businesses acquired:			
(Increase) decrease in accounts receivable	(246,856)	139,377	(135,954)
(Increase) decrease in inventories	(116)	(12,709)	4,345
(Increase) decrease in contract assets	(50,648)	7,829	(10,111)
Increase (decrease) in accounts payable	54,849	(9,022)	(33,971)
Increase in contract liabilities	44,713	85,142	51,310
Increase in accrued payroll and benefits and other accrued expenses and liabilities	46,573	113,835	49,551
Changes in other assets and liabilities, net	(56,874)	30,164	(4,070)
Net cash provided by operating activities	318,817	806,366	355,700
Cash flows - investing activities:			
Payments for acquisitions of businesses, net of cash acquired	(118,239)	(50,357)	(300,980)
Proceeds from sale or disposal of property, plant and equipment	2,754	3,463	5,487
Purchases of property, plant and equipment	(36,192)	(47,969)	(48,432)
Investments in and advances to unconsolidated entities	(1,595)	—	(2,252)
Distributions from unconsolidated entities	196	—	838
Net cash used in investing activities	(153,076)	(94,863)	(345,339)
Cash flows - financing activities:			
Proceeds from revolving credit facility	—	200,000	50,000
Repayments of revolving credit facility	—	(250,000)	(25,000)
Proceeds from long-term debt	—	300,000	—
Repayments of long-term debt and debt issuance costs	(13,875)	(286,987)	(15,198)
Repayments of finance lease liabilities	(4,189)	(4,470)	(4,571)
Dividends paid to stockholders	(28,163)	(17,674)	(17,950)
Repurchases of common stock	(195,546)	(112,553)	—
Taxes paid related to net share settlements of equity awards	(4,210)	(2,640)	(6,451)
Issuances of common stock under employee stock purchase plan	7,328	6,557	6,090
Payments for contingent consideration arrangements	(6,758)	(4,070)	(5,917)
Distributions to noncontrolling interests	(43)	(70)	(250)
Net cash used in financing activities	(245,456)	(171,907)	(19,247)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(1,279)	4,046	2,592
(Decrease) increase in cash, cash equivalents, and restricted cash	(80,994)	543,642	(6,294)
Cash, cash equivalents, and restricted cash at beginning of year ⁽¹⁾	903,562	359,920	366,214
Cash, cash equivalents, and restricted cash at end of period ⁽¹⁾	\$ 822,568	\$ 903,562	\$ 359,920

(1) Includes \$1.2 million, \$0.7 million, \$1.1 million, and \$2.3 million of restricted cash classified as “Prepaid expenses and other” in the Consolidated Balance Sheets as of December 31, 2021, 2020, 2019, and 2018, respectively.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF EQUITY
For The Years Ended December 31,
(In thousands)

	EMCOR Group, Inc. Stockholders						
	Total	Common stock	Capital surplus	Accumulated other comprehensive loss ⁽¹⁾	Retained earnings	Treasury stock	Noncontrolling interests
Balance, December 31, 2018	\$ 1,741,441	\$ 601	\$ 21,103	\$ (87,662)	\$ 2,060,440	\$ (253,937)	\$ 896
Net income including noncontrolling interests	325,140	—	—	—	325,140	—	—
Other comprehensive loss	(1,626)	—	—	(1,626)	—	—	—
Common stock issued under share-based compensation plans	—	3	(3)	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(6,451)	—	(6,451)	—	—	—	—
Common stock issued under employee stock purchase plan	6,090	—	6,090	—	—	—	—
Common stock dividends	(17,950)	—	149	—	(18,099)	—	—
Distributions to noncontrolling interests	(250)	—	—	—	—	—	(250)
Share-based compensation expense	11,386	—	11,386	—	—	—	—
Balance, December 31, 2019	\$ 2,057,780	\$ 604	\$ 32,274	\$ (89,288)	\$ 2,367,481	\$ (253,937)	\$ 646
Net income including noncontrolling interests	132,943	—	—	—	132,943	—	—
Other comprehensive loss	(19,945)	—	—	(19,945)	—	—	—
Cumulative-effect adjustment ⁽²⁾	(2,307)	—	—	—	(2,307)	—	—
Common stock issued under share-based compensation plans	2	2	—	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(2,640)	—	(2,640)	—	—	—	—
Common stock issued under employee stock purchase plan	6,557	—	6,557	—	—	—	—
Common stock dividends	(17,674)	—	122	—	(17,796)	—	—
Repurchases of common stock	(112,553)	—	—	—	—	(112,553)	—
Distributions to noncontrolling interests	(70)	—	—	—	—	—	(70)
Share-based compensation expense	11,151	—	11,151	—	—	—	—
Balance, December 31, 2020	\$ 2,053,244	\$ 606	\$ 47,464	\$ (109,233)	\$ 2,480,321	\$ (366,490)	\$ 576
Net income including noncontrolling interests	383,701	—	—	—	383,532	—	169
Other comprehensive income	25,671	—	—	25,671	—	—	—
Common stock issued under share-based compensation plans	—	1	(1)	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(4,210)	—	(4,210)	—	—	—	—
Common stock issued under employee stock purchase plan	7,328	—	7,328	—	—	—	—
Common stock dividends	(28,163)	—	186	—	(28,349)	—	—
Repurchases of common stock	(195,546)	—	—	—	—	(195,546)	—
Distributions to noncontrolling interests	(43)	—	—	—	—	—	(43)
Share-based compensation expense	11,107	—	11,107	—	—	—	—
Balance, December 31, 2021	<u>\$ 2,253,089</u>	<u>\$ 607</u>	<u>\$ 61,874</u>	<u>\$ (83,562)</u>	<u>\$ 2,835,504</u>	<u>\$ (562,036)</u>	<u>\$ 702</u>

(1) Represents cumulative foreign currency translation and post retirement liability adjustments of \$2.5 million and \$(86.1) million, respectively, as of December 31, 2021, \$2.9 million and \$(112.1) million, respectively, as of December 31, 2020, and \$0.8 million and \$(90.1) million, respectively, as of December 31, 2019.

(2) Represents adjustment to retained earnings upon the adoption of Accounting Standards Codification Topic 326.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS

References to the “Company,” “EMCOR,” “we,” “us,” “our” and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries, which specialize principally in providing construction services relating to electrical and mechanical systems in all types of facilities and in providing various services relating to the operation, maintenance, and management of those facilities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries and joint ventures. Significant intercompany accounts and transactions have been eliminated. All investments over which we exercise significant influence, but do not control (a 20% to 50% ownership interest), are accounted for using the equity method of accounting. For joint ventures that have been accounted for using the consolidation method of accounting, noncontrolling interests represent the allocation of earnings to our joint venture partners who either have a minority-ownership interest in the joint venture or are not at risk for the majority of losses of the joint venture.

The results of operations of companies acquired have been included in the results of operations from the date of the respective acquisition.

Principles of Preparation

The preparation of the consolidated financial statements, in conformity with accounting principles generally accepted in the United States, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

Our reportable segments and related disclosures reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings.

Revenue Recognition

Revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Refer to Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements for additional information.

Cash and Cash Equivalents

For purposes of the consolidated financial statements, we consider all highly liquid instruments with original maturities of three months or less to be cash equivalents. We maintain a centralized cash management system whereby our excess cash balances are invested in high quality short-term money market instruments, which are considered cash equivalents. We have cash balances in certain of our domestic bank accounts that exceed federally insured limits.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recognized in the period we deliver goods and services to our customers or when our right to consideration is unconditional. The Company maintains an allowance for credit losses to reduce outstanding receivables to their net realizable value. A considerable amount of judgment is required when determining expected credit losses. Estimates of such losses are recorded when we believe a customer, or group of customers, may not be able to meet their financial obligations due to deterioration in financial condition or credit rating. Factors relevant to our assessment include our prior collection history with our customers, the related aging of past due balances, projections of credit losses based on historical trends in credit quality indicators or past events, and forecasts of future economic conditions. In addition to monitoring delinquent accounts, management reviews the credit quality of its receivables by, among other things, obtaining credit ratings of significant customers, assessing economic and market conditions, and evaluating material changes to a customer’s business, cash flows, and financial condition.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At December 31, 2021 and 2020, our accounts receivable of \$2,204.5 million and \$1,922.1 million, respectively, were recorded net of allowances for credit losses of \$23.5 million and \$18.0 million, respectively. The increase in our allowance for credit losses was predominantly attributable to our evaluation of specific outstanding receivables within our United States industrial services segment. Allowances for credit losses are based on the best facts available and are reassessed and adjusted on a regular basis as additional information is received. Should anticipated collections fail to materialize, or if future economic conditions compare unfavorably to our forecasts, we could experience an increase in our credit losses. The provision for credit losses during 2021, 2020, and 2019 amounted to approximately \$8.0 million, \$3.3 million, and \$2.6 million, respectively.

The change in the allowance for credit losses for the year ended December 31, 2021 was as follows (in thousands):

Balance at December 31, 2020	\$ 18,031
Provision for credit losses	8,041
Amounts written off against the allowance, net of recoveries	<u>(2,538)</u>
Balance at December 31, 2021	<u>\$ 23,534</u>

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined principally using the average cost method.

Leases

At the inception of a contract, we determine whether the arrangement is or contains a lease. Leases are classified as either operating or finance, based on our evaluation of certain criteria. With the exception of short-term leases (leases with an initial term of 12 months or less), we record right-of-use assets and corresponding lease liabilities on the Consolidated Balance Sheets for all leases with contractual fixed payments. Lease liabilities are measured at the present value of remaining lease payments, while right-of-use assets are initially set equal to the lease liability, as adjusted for any payments made prior to lease commencement, lease incentives, and any initial direct costs incurred by us. For operating leases, rent expense is recognized on a straight-line basis over the term of the lease, and right-of-use assets are subsequently re-measured to reflect the effect of uneven lease payments. For finance leases, right-of-use assets are amortized on a straight-line basis over the lease term. Expenses for finance leases include the amortization of right-of-use assets, which is recorded as depreciation and amortization expense, and interest expense, which reflects interest accrued on the lease liability.

Short-term leases are not recorded on the Consolidated Balance Sheets but are expensed on a straight-line basis over the lease term. The majority of the Company's short-term leases relate to equipment used on construction projects. Such equipment leases are considered short-term in nature unless it is reasonably certain that the equipment will be leased for a period greater than 12 months.

Refer to Note 16 - Leases of the notes to consolidated financial statements for additional information.

Property, Plant and Equipment

Property, plant and equipment is stated at cost. Depreciation, including amortization of assets under finance leases, is recorded principally using the straight-line method over estimated useful lives of 3 to 10 years for machinery and equipment, 3 to 7 years for vehicles, furniture and fixtures and computer hardware/software, and 25 years for buildings. Leasehold improvements are amortized over the shorter of the remaining lease term or the expected useful life of the improvement.

The carrying values of property, plant and equipment are reviewed for impairment whenever facts and circumstances indicate that the carrying amount may not be fully recoverable. In performing this review for recoverability, property, plant and equipment is assessed for possible impairment by comparing their carrying values to their undiscounted net pre-tax cash flows expected to result from the use of the asset. Impaired assets are written down to their fair values, generally determined based on their estimated future discounted cash flows.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets

Goodwill and indefinite-lived intangible assets, such as trade names, are evaluated at least annually for impairment (each October 1, absent any earlier identified impairment indicators) and are written down if impaired. Identifiable intangible assets with finite lives are amortized over their useful lives and are reviewed for impairment whenever facts and circumstances indicate that their carrying values may not be fully recoverable. See Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements for additional information.

Insurance Liabilities

We have loss payment deductibles for certain workers' compensation, automobile liability, general liability, and property claims, have self-insured retentions for certain other casualty claims, and are self-insured for employee-related healthcare claims. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Losses are recorded based upon estimates of our liability for claims incurred and for claims incurred but not reported. The liabilities are derived from known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary to determine the best estimate for the majority of these obligations. As of December 31, 2021 and 2020, the estimated current portion of such undiscounted insurance liabilities, included in "Other accrued expenses and liabilities" in the accompanying Consolidated Balance Sheets, were \$61.5 million and \$48.2 million, respectively. The estimated non-current portion of such undiscounted insurance liabilities included in "Other long-term obligations" as of December 31, 2021 and 2020 were \$242.4 million and \$192.8 million, respectively. The current portion of anticipated insurance recoveries of \$26.4 million and \$14.4 million as of December 31, 2021 and 2020, respectively, were included in "Prepaid expenses and other" and the non-current portion of anticipated insurance recoveries of \$99.0 million and \$54.3 million as of December 31, 2021 and 2020, respectively, were included in "Other assets" in the accompanying Consolidated Balance Sheets. These balances increased from December 31, 2020 as a result of revised estimates for claims on which we expect substantial coverage by insurance.

Foreign Operations

The financial statements and transactions of our foreign subsidiaries are maintained in their functional currency and translated into U.S. dollars when preparing our consolidated financial statements. Statements of operations, comprehensive income, and cash flows are translated using weighted average monthly exchange rates, while balance sheets are translated at month-end exchange rates. Translation adjustments are recorded as "Accumulated other comprehensive loss," a separate component of "Equity."

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of assets and liabilities as well as for net operating loss and tax credit carryforwards. Deferred income taxes are valued using enacted tax rates expected to be in effect when income taxes are paid or recovered, with the effect of a change in tax laws or rates recognized in the statement of operations in the periods in which such change is enacted. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the period in which those temporary differences become deductible. Deferred income taxes are recorded net of a valuation allowance when it is more likely than not that all or a portion of a deferred tax asset will not be realized. In making such determination, we consider all available evidence, including projections of future taxable income, tax-planning strategies, and recent results of operations.

Tax benefits associated with uncertain tax positions are recognized only if it is more likely than not that the tax position would be sustained on its technical merits. For positions not meeting the "more likely than not" test, no tax benefit is recognized. To the extent interest and penalties may be assessed related to unrecognized tax benefits, we record accruals for such amounts as a component of the income tax provision. We had no unrecognized income tax benefits as of December 31, 2021 and 2020.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Share-Based Compensation Plans

Our share-based compensation plans and programs are administered by our Board of Directors or its Compensation and Personnel Committee. See Note 13 - Share-Based Compensation Plans of the notes to consolidated financial statements for additional information regarding these share-based compensation plans and programs.

We recognize all share-based payments issued to acquire goods or services in the statement of operations based on the fair value of such payments. Compensation expense related to share-based awards is generally recognized on a straight-line basis over the requisite service period, which is generally the vesting period. The benefits of tax deductions in excess of recognized compensation expense are recognized in the Consolidated Statements of Operations when the underlying awards vest or are settled.

New Accounting Pronouncements

On January 1, 2021, we adopted the accounting pronouncement issued by the Financial Accounting Standards Board (“FASB”) that simplifies the accounting for income taxes by eliminating certain exceptions to the guidance in Accounting Standards Codification (“ASC”) 740 related to intraperiod tax allocations and the methodology for calculating income taxes in an interim period. The guidance also simplifies aspects of the accounting for franchise taxes as well as enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. The adoption of this accounting pronouncement did not have a material impact on our financial position and/or results of operations.

The Company is currently evaluating the impact of an accounting standards update issued by the FASB, which provides temporary optional expedients and exceptions to existing U.S. GAAP. This guidance is aimed at easing the financial reporting burdens related to reference rate reform, including the expected market transition from LIBOR, or other interbank offered rates, to alternative reference rates. Such accounting pronouncement allows entities to account for and present certain contract modifications, which occur before December 31, 2022 and result from the transition to an alternative reference rate, as an event that does not require remeasurement at the modification date or reassessment of a previous accounting determination. While we are still evaluating the impact of this pronouncement, we do not anticipate that it will have a material impact on our financial position and/or results of operations, as we are not exposed to any contracts that reference LIBOR, other than our credit agreement dated as of March 2, 2020, which contains provisions that allow for the amendment of such agreement to use alternative reference rates in the event of the discontinuation of LIBOR.

In October 2021, an accounting pronouncement was issued by the FASB, which changes how an entity accounts for revenue contracts it acquires in a business combination. The pronouncement requires entities to apply the revenue recognition guidance within ASC 606 to recognize and measure contract assets and liabilities from contracts with customers in a business combination, creating an exception to the fair value recognition and measurement principle typically utilized when valuing acquired assets. The guidance is aimed at improving comparability by addressing when an acquirer should recognize a contract asset or contract liability, as well as how such assets and liabilities should be measured, and will generally result in companies recognizing contract assets and contract liabilities at amounts consistent with those recorded by the target entity prior to acquisition. This guidance is effective for public business entities for fiscal years beginning after December 15, 2022, with early adoption permitted. We are currently evaluating the potential impact of this accounting pronouncement; however, we do not believe that its adoption will have a material impact on our financial position and/or results of operations.

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services by applying the following five step model:

(1) Identify the contract with a customer

A contract with a customer exists when: (a) the parties have approved the contract and are committed to perform their respective obligations, (b) the rights of the parties can be identified, (c) payment terms can be identified, (d) the arrangement has commercial substance, and (e) collectability of consideration is probable. Judgment is required when determining if the contractual criteria are met, specifically in the earlier stages of a project when a formally executed contract may not yet exist. In these situations, the Company evaluates all relevant facts and circumstances, including the existence of other forms of documentation or historical experience with our customers that may indicate a contractual agreement is in place and revenue should be recognized. In determining if the collectability of consideration is probable, the Company considers the customer’s ability and intention to pay such consideration through an evaluation of several factors, including an assessment of the creditworthiness of the customer and our prior collection history with such customer.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

(2) Identify the performance obligations in the contract

At contract inception, the Company assesses the goods or services promised in a contract and identifies, as a separate performance obligation, each distinct promise to transfer goods or services to the customer. The identified performance obligations represent the “unit of account” for purposes of determining revenue recognition. In order to properly identify separate performance obligations, the Company applies judgment in determining whether each good or service provided is: (a) capable of being distinct, whereby the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer, and (b) distinct within the context of the contract, whereby the transfer of the good or service to the customer is separately identifiable from other promises in the contract.

In addition, when assessing performance obligations within a contract, the Company considers the warranty provisions included within such contract. To the extent the warranty terms provide the customer with an additional service, other than assurance that the promised good or service complies with agreed upon specifications, such warranty is accounted for as a separate performance obligation. In determining whether a warranty provides an additional service, the Company considers each warranty provision in comparison to warranty terms which are standard in the industry.

Our contracts are often modified through change orders to account for changes in the scope and price of the goods or services we are providing. Although the Company evaluates each change order to determine whether such modification creates a separate performance obligation, the majority of our change orders are for goods or services that are not distinct within the context of our original contract and, therefore, are not treated as separate performance obligations.

(3) Determine the transaction price

The transaction price represents the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to our customers. The consideration promised within a contract may include fixed amounts, variable amounts, or both. To the extent the performance obligation includes variable consideration, including contract bonuses and penalties that can either increase or decrease the transaction price, the Company estimates the amount of variable consideration to be included in the transaction price utilizing one of two prescribed methods, depending on which method better predicts the amount of consideration to which the entity will be entitled. Such methods include: (a) the expected value method, whereby the amount of variable consideration to be recognized represents the sum of probability-weighted amounts in a range of possible consideration amounts, and (b) the most likely amount method, whereby the amount of variable consideration to be recognized represents the single most likely amount in a range of possible consideration amounts. When applying these methods, the Company considers all information that is reasonably available, including historical, current, and estimates of future performance. The expected value method is typically utilized in situations where a contract contains a large number of possible outcomes while the most likely amount method is typically utilized in situations where a contract has only two possible outcomes.

Variable consideration is included in the transaction price only to the extent it is probable, in the Company’s judgment, that a significant future reversal in the amount of cumulative revenue recognized under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved. This threshold is referred to as the variable consideration constraint. In assessing whether to apply the variable consideration constraint, the Company considers if factors exist that could increase the likelihood or the magnitude of a potential reversal of revenue, including, but not limited to, whether: (a) the amount of consideration is highly susceptible to factors outside of the Company’s influence, such as the actions of third parties, (b) the uncertainty surrounding the amount of consideration is not expected to be resolved for a long period of time, (c) the Company’s experience with similar types of contracts is limited or that experience has limited predictive value, (d) the Company has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances, and (e) the contract has a large number and broad range of possible consideration amounts.

Pending change orders represent one of the most common forms of variable consideration included within contract value and typically represent contract modifications for which a change in scope has been authorized or acknowledged by our customer but the final adjustment to contract price is yet to be negotiated. In estimating the transaction price for pending change orders, the Company considers all relevant facts, including documented correspondence with the customer regarding acknowledgment of and/or agreement with the modification, as well as historical experience with the customer or similar contractual circumstances. Based upon this assessment, the Company estimates the transaction price, including whether the variable consideration constraint should be applied.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Contract claims are another form of variable consideration which is common within our industry. Claim amounts represent revenue that has been recognized for contract modifications that are not submitted or are in dispute as to both scope and price. In estimating the transaction price for claims, the Company considers all relevant facts available. However, given the uncertainty surrounding claims, including the potential long-term nature of dispute resolution and the broad range of possible consideration amounts, there is an increased likelihood that any additional contract revenue associated with contract claims is constrained. The resolution of claims involves negotiations and, in certain cases, litigation. In the event litigation costs are incurred by us in connection with claims, such litigation costs are expensed as incurred, although we may seek to recover these costs.

For some transactions, the receipt of consideration does not match the timing of the transfer of goods or services to the customer. For such contracts, the Company evaluates whether this timing difference represents a financing arrangement within the contract. Although rare, if a contract is determined to contain a significant financing component, the Company adjusts the promised amount of consideration for the effects of the time value of money when determining the transaction price of such contract. Although our customers may retain a portion of the contract price until completion of the project and final contract settlement, these retainage amounts are not considered a significant financing component as the intent of the withheld amounts is to provide the customer with assurance that we will complete our obligations under the contract rather than to provide financing to the customer. In addition, although we may be entitled to advanced payments from our customers on certain contracts, these advanced payments generally do not represent a significant financing component as the payments are used to meet working capital demands that can be higher in the early stages of a contract, as well as to protect us from our customer failing to meet its obligations under the contract.

Changes in the estimates of transaction prices are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. Such changes in estimates can result in the recognition of revenue in a current period for performance obligations which were satisfied or partially satisfied in prior periods. Such changes in estimates may also result in the reversal of previously recognized revenue if the ultimate outcome differs from the Company's previous estimate. There were no significant amounts of revenue recognized during the years ended December 31, 2021 or 2019 related to performance obligations satisfied in prior periods. During the year ended December 31, 2020, we recognized revenue of \$6.1 million associated with the final settlement of the contract value for two projects within our United States electrical construction and facilities services segment that were completed or substantially completed in prior periods. For each of the years ended December 31, 2021, 2020, and 2019, there were no significant reversals of revenue recognized associated with the revision of transaction prices.

(4) Allocate the transaction price to performance obligations in the contract

For contracts that contain multiple performance obligations, the Company allocates the transaction price to each performance obligation based on a relative standalone selling price. The Company determines the standalone selling price based on the price at which the performance obligation would have been sold separately in similar circumstances to similar customers. If the standalone selling price is not observable, the Company estimates the standalone selling price taking into account all available information such as market conditions and internal pricing guidelines. In certain circumstances, the standalone selling price is determined using an expected profit margin on anticipated costs related to the performance obligation.

(5) Recognize revenue as performance obligations are satisfied

The Company recognizes revenue at the time the related performance obligation is satisfied by transferring a promised good or service to its customers. A good or service is considered to be transferred when the customer obtains control. The Company can transfer control of a good or service and satisfy its performance obligations either over time or at a point in time. The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time if one of the following three criteria are met: (a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as we perform, (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or (c) the Company's performance does not create an asset with an alternative use to us, and we have an enforceable right to payment for performance completed to date.

For our performance obligations satisfied over time, we recognize revenue by measuring the progress toward complete satisfaction of that performance obligation. The selection of the method to measure progress towards completion can be either an input method or an output method and requires judgment based on the nature of the goods or services to be provided.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

For our construction contracts, revenue is generally recognized over time as our performance creates or enhances an asset that the customer controls as it is created or enhanced. Our fixed price construction projects generally use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. For our unit price construction contracts, progress towards complete satisfaction is measured through an output method, such as the number of units produced or delivered, when our performance does not produce significant amounts of work in process or finished goods prior to complete satisfaction of such performance obligations.

For our services contracts, revenue is also generally recognized over time as the customer simultaneously receives and consumes the benefits of our performance as we perform the service. For our fixed price service contracts with specified service periods, revenue is generally recognized on a straight-line basis over such service period when our inputs are expended evenly, and the customer receives and consumes the benefits of our performance throughout the contract term.

The timing of revenue recognition for the manufacturing of new build heat exchangers within our United States industrial services segment depends on the payment terms of the contract, as our performance does not create an asset with an alternative use to us. For those contracts for which we have a right to payment for performance completed to date at all times throughout our performance, inclusive of a cancellation, we recognize revenue over time. For these performance obligations, we use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. However, for those contracts for which we do not have a right, at all times, to payment for performance completed to date, we recognize revenue at the point in time when control is transferred to the customer. For bill-and-hold arrangements, revenue is recognized when the customer obtains control of the heat exchanger, which may be prior to shipping if certain recognition criteria are met.

For certain of our revenue streams, such as call-out repair and service work, outage services, refinery turnarounds, and specialty welding services that are performed under time and materials contracts, our progress towards complete satisfaction of such performance obligations is measured using an output method as the customer receives and consumes the benefits of our performance completed to date.

Due to uncertainties inherent in the estimation process, it is possible that estimates of costs to complete a performance obligation will be revised in the near-term. For those performance obligations for which revenue is recognized using a cost-to-cost input method, changes in total estimated costs, and related progress towards complete satisfaction of the performance obligation, are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. When the current estimate of total costs for a performance obligation indicate a loss, a provision for the entire estimated loss on the unsatisfied performance obligation is made in the period in which the loss becomes evident. During each of the years ended December 31, 2021, 2020, and 2019, there were no changes in total estimated costs that had a significant impact on our operating results. In addition, there were no significant losses recognized during each of the years ended December 31, 2021, 2020, and 2019.

Disaggregation of Revenues

Our revenues are principally derived from contracts to provide construction services relating to electrical and mechanical systems, as well as to provide a number of building services and industrial services to our customers. Our contracts are with many different customers in numerous industries. Refer to Note 18 - Segment Information of the notes to consolidated financial statements for additional information on how we disaggregate our revenues by reportable segment, as well as a more complete description of our business.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

The following tables provide further disaggregation of our revenues by categories we use to evaluate our financial performance within each of our reportable segments (in thousands):

	2021	% of Total	2020	% of Total	2019	% of Total
United States electrical construction and facilities services:						
Commercial market sector	\$1,059,908	52 %	\$ 963,452	53 %	\$1,078,200	55 %
Manufacturing market sector	226,644	11 %	241,415	13 %	224,913	11 %
Healthcare market sector	106,412	5 %	72,778	4 %	85,088	4 %
Institutional market sector	177,312	9 %	140,837	8 %	120,991	6 %
Transportation market sector	196,313	10 %	192,656	11 %	209,830	11 %
Water and wastewater market sector	14,962	1 %	6,882	1 %	19,888	1 %
Hospitality market sector	15,342	1 %	23,797	1 %	16,985	1 %
Short duration projects ⁽¹⁾	182,614	9 %	142,542	8 %	170,631	9 %
Service work	39,199	2 %	26,858	1 %	38,500	2 %
	<u>2,018,706</u>		<u>1,811,217</u>		<u>1,965,026</u>	
Less intersegment revenues	<u>(3,240)</u>		<u>(5,125)</u>		<u>(3,228)</u>	
Total segment revenues	<u>\$2,015,466</u>		<u>\$1,806,092</u>		<u>\$1,961,798</u>	

	2021	% of Total	2020	% of Total	2019	% of Total
United States mechanical construction and facilities services:						
Commercial market sector	\$1,525,816	39 %	\$1,316,013	38 %	\$1,185,129	36 %
Manufacturing market sector	523,896	13 %	430,365	12 %	533,699	16 %
Healthcare market sector	489,028	12 %	349,235	10 %	304,622	9 %
Institutional market sector	280,463	7 %	377,780	11 %	313,409	9 %
Transportation market sector	84,503	2 %	70,692	2 %	32,686	1 %
Water and wastewater market sector	213,315	6 %	185,996	5 %	202,428	6 %
Hospitality market sector	38,405	1 %	40,079	1 %	35,385	1 %
Short duration projects ⁽¹⁾	308,467	8 %	343,799	10 %	365,721	11 %
Service work	466,860	12 %	378,054	11 %	378,839	11 %
	<u>3,930,753</u>		<u>3,492,013</u>		<u>3,351,918</u>	
Less intersegment revenues	<u>(7,889)</u>		<u>(6,518)</u>		<u>(11,581)</u>	
Total segment revenues	<u>\$3,922,864</u>		<u>\$3,485,495</u>		<u>\$3,340,337</u>	

(1) Represents those projects which generally are completed within three months or less.

	2021	% of Total	2020	% of Total	2019	% of Total
United States building services:						
Mobile mechanical services	\$1,501,919	61 %	\$1,282,803	60 %	\$1,253,209	59 %
Commercial site-based services	680,351	28 %	587,345	28 %	571,345	27 %
Government site-based services	184,272	7 %	167,990	8 %	176,282	8 %
Energy services	102,350	4 %	95,878	4 %	120,825	6 %
Total segment revenues	<u>\$2,468,892</u>		<u>\$2,134,016</u>		<u>\$2,121,661</u>	

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
United States industrial services:						
Field services	\$ 853,143	86 %	\$ 813,872	86 %	\$1,162,321	88 %
Shop services	133,264	14 %	127,023	14 %	165,235	12 %
Total segment revenues	<u>\$ 986,407</u>		<u>\$ 940,895</u>		<u>\$1,327,556</u>	
Total United States operations	<u>\$9,393,629</u>		<u>\$8,366,498</u>		<u>\$8,751,352</u>	
	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
United Kingdom building services:						
Service work	\$ 261,889	51 %	\$ 221,373	51 %	\$ 212,876	50 %
Project work	248,062	49 %	209,190	49 %	210,383	50 %
Total segment revenues	<u>\$ 509,951</u>		<u>\$ 430,563</u>		<u>\$ 423,259</u>	
Total operations	<u>\$9,903,580</u>		<u>\$8,797,061</u>		<u>\$9,174,611</u>	

Contract Assets and Contract Liabilities

The timing of revenue recognition may differ from the timing of invoicing to customers. Contract assets include unbilled amounts from our construction projects when revenues recognized under the cost-to-cost measure of progress exceed the amounts invoiced to our customers, as the amounts are not yet billable under the terms of our contracts. Such amounts are recoverable from our customers based upon various measures of performance, including achievement of certain milestones, completion of specified units, or completion of a contract. In addition, many of our time and materials arrangements, as well as our contracts to perform turnaround services within the United States industrial services segment, are billed in arrears pursuant to contract terms that are standard within the industry, resulting in contract assets and/or unbilled receivables being recorded as revenue is recognized in advance of billings. Also included in contract assets are amounts we seek or will seek to collect from customers or others for errors or changes in contract specifications or design, contract change orders or modifications in dispute or unapproved as to scope and/or price, or other customer-related causes of unanticipated additional contract costs (claims and unapproved change orders). Our contract assets do not include capitalized costs to obtain and fulfill a contract. Contract assets are generally classified as current within the Consolidated Balance Sheets.

As of December 31, 2021 and 2020, contract assets included unbilled revenues for unapproved change orders of approximately \$24.1 million and \$15.3 million, respectively. Contract assets as of December 31, 2021 additionally included \$2.5 million associated with claims. There were no claim amounts included within accounts receivable as of December 31, 2021 or within contract assets or accounts receivable as of December 31, 2020. There were contractually billed amounts and retention related to contracts with unapproved change orders and claims of approximately \$130.7 million and \$87.9 million as of December 31, 2021 and 2020, respectively. For contracts in claim status, contractually billed amounts will generally not be paid by the customer to us until final resolution of the related claims.

Contract liabilities from our construction contracts arise when amounts invoiced to our customers exceed revenues recognized under the cost-to-cost measure of progress. Contract liabilities additionally include advanced payments from our customers on certain contracts. Contract liabilities decrease as we recognize revenue from the satisfaction of the related performance obligation and are recorded as either current or long-term, depending upon when we expect to recognize such revenue. The long-term portion of contract liabilities is included in "Other long-term obligations" in the Consolidated Balance Sheets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Net contract liabilities in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Contract assets, current	\$ 230,143	\$ 171,956
Contract assets, non-current	—	—
Contract liabilities, current	(788,134)	(722,252)
Contract liabilities, non-current	(2,505)	(2,283)
Net contract liabilities	<u>\$ (560,496)</u>	<u>\$ (552,579)</u>

Included within net contract liabilities were \$500.3 million and \$496.8 million of net contract liabilities on uncompleted construction projects as of December 31, 2021 and 2020, respectively, as follows (in thousands):

	December 31, 2021	December 31, 2020
Costs incurred on uncompleted construction contracts	\$ 11,034,038	\$ 10,727,358
Estimated earnings, thereon	1,731,479	1,640,250
	12,765,517	12,367,608
Less: billings to date	13,265,865	12,864,404
	<u>\$ (500,348)</u>	<u>\$ (496,796)</u>

Contract assets and contract liabilities increased by approximately \$8.1 million and \$23.2 million, respectively, as a result of acquisitions made by us in 2021. Excluding the impact of acquisitions, net contract liabilities decreased by approximately \$7.2 million for the year ended December 31, 2021, primarily as a result of the timing of invoicing to customers on our uncompleted construction projects, which, based on the various stages of completion, included a greater percentage of contracts that were recorded in contract asset positions. There was no significant impairment of contract assets recognized during the periods presented.

Contract Retentions

As of December 31, 2021 and 2020, accounts receivable included \$375.3 million and \$323.9 million, respectively, of retainage billed under terms of our contracts. These retainage amounts represent amounts which have been contractually invoiced to customers where payments have been partially withheld pending the achievement of certain milestones, satisfaction of other contractual conditions, or completion of the project. We estimate that approximately 90% of the retainage outstanding as of December 31, 2021 will be collected during 2022.

As of December 31, 2021 and 2020, accounts payable included \$71.1 million and \$59.8 million, respectively, of retainage withheld under terms of our subcontracts. These retainage amounts represent amounts invoiced to the Company by our subcontractors where payments have been partially withheld pending the achievement of certain milestones, satisfaction of other contractual conditions, or upon completion of the project. We estimate that approximately 90% of the retainage outstanding as of December 31, 2021 will be paid during 2022.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Transaction Price Allocated to Remaining Unsatisfied Performance Obligations

The following table presents the transaction price allocated to remaining unsatisfied performance obligations (“remaining performance obligations”) for each of our reportable segments and their respective percentages of total remaining performance obligations (in thousands, except for percentages):

	<u>December 31,</u> <u>2021</u>	<u>% of</u> <u>Total</u>
Remaining performance obligations:		
United States electrical construction and facilities services	\$ 1,210,568	22 %
United States mechanical construction and facilities services	3,320,359	59 %
United States building services	838,324	15 %
United States industrial services	111,838	2 %
Total United States operations	<u>5,481,089</u>	<u>98 %</u>
United Kingdom building services	118,208	2 %
Total operations	<u>\$ 5,599,297</u>	<u>100 %</u>

Our remaining performance obligations at December 31, 2021 were \$5.60 billion. Remaining performance obligations increase with awards of new contracts and decrease as we perform work and recognize revenue on existing contracts. We include a project within our remaining performance obligations at such time the project is awarded and agreement on contract terms has been reached. Our remaining performance obligations include amounts related to contracts for which a fixed price contract value is not assigned when a reasonable estimate of the total transaction price can be made.

Remaining performance obligations include unrecognized revenues to be realized from uncompleted construction contracts. Although many of our construction contracts are subject to cancellation at the election of our customers, in accordance with industry practice, we do not limit the amount of unrecognized revenue included within remaining performance obligations for these contracts as the risk of cancellation is very low due to the inherent substantial economic penalty that our customers would incur upon cancellation or termination. We believe our reported remaining performance obligations for our construction contracts are firm and contract cancellations have not had a material adverse effect on us.

Remaining performance obligations also include unrecognized revenues expected to be realized over the remaining term of service contracts. However, to the extent a service contract includes a cancellation clause which allows for the termination of such contract by either party without a substantive penalty, the remaining contract term, and therefore, the amount of unrecognized revenues included within remaining performance obligations, is limited to the notice period required for the termination.

Our remaining performance obligations are comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business, (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which the variable consideration constraint does not apply, and (e) other forms of variable consideration to the extent that such variable consideration has been included within the transaction price of our contracts. Such claim and other variable consideration amounts were immaterial for all periods presented.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Refer to the table below for additional information regarding our remaining performance obligations, including an estimate of when we expect to recognize such remaining performance obligations as revenue (in thousands):

	<u>Within one year</u>	<u>Greater than one year</u>
Remaining performance obligations:		
United States electrical construction and facilities services	\$ 1,073,432	\$ 137,136
United States mechanical construction and facilities services	2,640,609	679,750
United States building services	751,602	86,722
United States industrial services	111,838	—
Total United States operations	<u>4,577,481</u>	<u>903,608</u>
United Kingdom building services	92,371	25,837
Total operations	<u>\$ 4,669,852</u>	<u>\$ 929,445</u>

NOTE 4 - ACQUISITIONS OF BUSINESSES

Acquisitions are accounted for utilizing the acquisition method of accounting and the prices paid for them are allocated to their respective assets and liabilities based upon the estimated fair value of such assets and liabilities at the dates of their respective acquisition by us.

During 2021, we acquired eight companies for total consideration of \$131.2 million. Such acquisitions include: (a) two companies, the results of operations of which have been included within our United States mechanical construction and facilities services segment, consisting of: (i) a company that provides mechanical services within the Southern region of the United States and (ii) a company that provides fire protection services in the Midwestern region of the United States, (b) two companies that provide electrical construction services for a broad array of customers in the Midwestern region of the United States, the results of operations of which have been included in our United States electrical construction and facilities services segment, and (c) four companies, the results of operations of which have been included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services across North Texas and (ii) three companies that bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions. In connection with these acquisitions, we acquired working capital of \$22.9 million and other net liabilities of \$0.6 million, including certain deferred tax liabilities, and have preliminarily ascribed \$38.3 million to goodwill and \$70.6 million to identifiable intangible assets.

During 2020, we acquired three companies for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services in the Washington, D.C. metro area, and (c) a company that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment. In connection with these acquisitions, we acquired working capital of \$3.0 million and other net liabilities of \$3.9 million and have ascribed \$13.1 million to goodwill and \$38.1 million to identifiable intangible assets.

On November 1, 2019, we completed the acquisition of Batchelor & Kimball, Inc. (“BKI”), a leading full service provider of mechanical construction and maintenance services. This acquisition strengthens our position and broadens our capabilities in the Southern and Southeastern regions of the United States, and the results of its operations have been included within our United States mechanical construction and facilities services segment. Under the terms of the transaction, we acquired 100% of BKI’s outstanding capital stock for total consideration of approximately \$220.3 million. In connection with the acquisition of BKI, we acquired working capital of \$29.8 million and other net assets of \$4.9 million and have ascribed \$43.9 million to goodwill and \$141.7 million to identifiable intangible assets. Goodwill is calculated as the excess of the consideration transferred over the fair value of the net assets acquired and represents the future economic benefits expected from this strategic acquisition. The weighted average amortization period for the identifiable intangible assets, which consist of a trade name, customer relationships, and contract backlog, is approximately 10.5 years.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - ACQUISITIONS OF BUSINESSES (Continued)

In addition to BKI, during 2019, we completed six other acquisitions for total consideration of \$85.4 million. Such acquisitions include: (a) a company that provides electrical contracting services in central Iowa, the results of operations of which have been included within our United States electrical construction and facilities services segment, (b) a company that provides mechanical contracting services in south-central and eastern Texas, the results of operations of which have been included within our United States mechanical construction and facilities services segment, and (c) four companies within our United States building services segment which bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions. In connection with these acquisitions, we acquired working capital of \$25.3 million and other net assets of \$1.3 million and have ascribed \$29.2 million to goodwill and \$29.6 million to identifiable intangible assets.

We expect that the majority of the goodwill acquired in connection with these acquisitions will be deductible for tax purposes. The purchase price allocations for two of the businesses acquired in 2021 are preliminary and subject to change during their respective measurement periods. As we finalize such purchase price allocations, adjustments may be recorded relating to finalization of intangible asset valuations, tax matters, or other items. Although not expected to be significant, such adjustments may result in changes in the valuation of assets and liabilities acquired. The purchase price allocations for the other businesses acquired in 2021 and the businesses acquired in 2020 and 2019 have been finalized during their respective measurement periods with an insignificant impact.

NOTE 5 - EARNINGS PER SHARE

The following tables summarize our calculation of Basic and Diluted Earnings per Common Share (“EPS”) for the years ended December 31, 2021, 2020, and 2019 (in thousands, except share and per share data):

	2021	2020	2019
Numerator:			
Net income attributable to EMCOR Group, Inc. common stockholders	\$ 383,532	\$ 132,943	\$ 325,140
Denominator:			
Weighted average shares outstanding used to compute basic earnings per common share	54,068,982	55,196,173	56,208,280
Effect of dilutive securities—Share-based awards	278,552	225,098	311,001
Shares used to compute diluted earnings per common share	54,347,534	55,421,271	56,519,281
Basic earnings per common share	\$ 7.09	\$ 2.41	\$ 5.78
Diluted earnings per common share	\$ 7.06	\$ 2.40	\$ 5.75

The number of outstanding share-based awards excluded from the computation of diluted EPS for the years ended December 31, 2021, 2020, and 2019 because they would be anti-dilutive were 9,250, 24,450, and 4,800, respectively.

NOTE 6 - INVENTORIES

Inventories in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Raw materials and construction materials	\$ 46,186	\$ 42,240
Work in process	7,912	11,098
Inventories	<u>\$ 54,098</u>	<u>\$ 53,338</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Machinery and equipment	\$ 188,022	\$ 176,031
Vehicles	65,946	61,624
Furniture and fixtures	23,698	23,724
Computer hardware/software	108,830	111,846
Land, buildings and leasehold improvements	127,736	124,309
Construction in progress	6,125	7,754
Finance lease right-of-use assets ⁽¹⁾	7,666	9,638
	<u>528,023</u>	<u>514,926</u>
Accumulated depreciation and amortization	<u>(375,957)</u>	<u>(356,499)</u>
	<u>\$ 152,066</u>	<u>\$ 158,427</u>

⁽¹⁾ Finance lease right-of-use assets are recorded net of accumulated amortization.

Depreciation and amortization expense related to property, plant and equipment, including finance leases, was \$48.3 million, \$46.7 million, and \$43.9 million for the years ended December 31, 2021, 2020, and 2019, respectively.

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS

Goodwill

In connection with our acquisition of businesses, we have recorded goodwill, which represents the excess of the consideration transferred over the fair value of the net tangible and identifiable intangible assets acquired. Our goodwill balance at December 31, 2021 and 2020 was \$890.3 million and \$851.8 million, respectively, with goodwill attributable to companies acquired in 2021 and 2020 valued at \$38.3 million and \$13.1 million, respectively. Goodwill is not amortized but instead allocated to its respective reporting unit and evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of goodwill may be impaired. We have determined that our reporting units are consistent with the reportable segments identified in Note 18 - Segment Information of the notes to consolidated financial statements. As of December 31, 2021, approximately 17.9% of our goodwill related to our United States electrical construction and facilities services segment, approximately 34.2% of our goodwill related to our United States mechanical construction and facilities services segment, approximately 35.1% of our goodwill related to our United States building services segment and approximately 12.8% of our goodwill related to our United States industrial services segment.

Absent any earlier identified impairment indicators, we perform our annual goodwill impairment assessment on October 1 each fiscal year. Qualitative indicators that may trigger the need for interim quantitative impairment testing include, among others, deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or an expectation of selling or disposing of a portion of a reporting unit. Additionally, an interim impairment test may be triggered by a significant change in business climate, a loss of a significant customer, increased competition, or a sustained decrease in share price. In assessing whether our goodwill is impaired, we compare the fair value of the reporting unit to its carrying amount, including goodwill. If the fair value exceeds the carrying amount, no impairment is recognized. However, if the carrying amount of the reporting unit exceeds the fair value, the goodwill of the reporting unit is impaired and an impairment loss in the amount of the excess is recognized and charged to operations.

We performed our 2021 annual impairment assessment of all reporting units as of October 1, 2021, and determined there was no impairment of goodwill. In completing our annual impairment assessment, we determined the fair value of each of our reporting units using an income approach whereby fair value was calculated utilizing discounted estimated future cash flows, assuming a risk-adjusted industry weighted average cost of capital. The weighted average cost of capital used in our annual impairment testing was 10.4% for our United States construction segments and our United States building services segment, and 11.3% for our United States industrial services segment. These weighted average cost of capital estimates were developed with the assistance of an independent third-party valuation specialist and reflect the overall level of inherent risk within the respective reporting unit and the rate of return a market participant would expect to earn. Our cash flow projections were derived from our most recent internal forecasts of anticipated revenue growth rates and operating margins, with cash flows beyond the discrete forecast period estimated using a terminal value calculation which incorporated historical and forecasted trends, an estimate of long-term growth rates, and assumptions about the future demand for our services. The perpetual growth rate used for our annual testing was 2.0% for all of our reporting units.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

During the second quarter of 2020, we concluded that the carrying amount of our United States industrial services segment exceeded its fair value, resulting in the recognition of a non-cash goodwill impairment charge of \$225.5 million which was included within our results of operations for the year ended December 31, 2020. An interim impairment assessment was considered necessary as a result of the significant impact the COVID-19 pandemic and concurrent decline in demand for oil and other refined products had on our near term revenue and operating margin expectations for such segment. The valuation methodology utilized in this prior year interim impairment test was consistent with the approach described above. We did not identify indicators of impairment related to any other reporting unit that would have required an interim impairment assessment during 2020 and there was no other impairment of goodwill recognized for the years ended December 31, 2020 or 2019.

Due to the inherent uncertainties involved in making estimates, our assumptions may change in future periods. Estimates and assumptions made for purposes of our goodwill impairment testing may prove to be inaccurate predictions of the future, and other factors used in assessing fair value, such as the weighted average cost of capital, are outside the control of management. Unfavorable changes in certain of these key assumptions may affect future testing results. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$103.6 million, \$185.5 million, \$74.5 million, and \$25.9 million, respectively. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$52.4 million, \$95.9 million, \$35.8 million, and \$9.5 million, respectively. Given the amounts by which the fair value exceeds the carrying value for each of our reporting units, the decreases in estimated fair values described above would not have significantly impacted the results of our 2021 impairment tests. Further, for each of our reporting units, other than our United States industrial services segment, a 10% decline in the estimated fair value of such reporting unit, due to other changes in our assumptions, including forecasted future cash flows, would not have significantly impacted the results of our 2021 impairment tests. In the case of our United States industrial services segment, however, such a decrease would cause the estimated fair value of this reporting unit to approximate its carrying value.

The changes in the carrying amount of goodwill by reportable segment during the years ended December 31, 2021 and 2020 were as follows (in thousands):

	United States electrical construction and facilities services segment	United States mechanical construction and facilities services segment	United States building services segment	United States industrial services segment	Total
Balance at December 31, 2019	\$ 142,545	\$ 299,220	\$ 289,158	\$ 332,988	\$ 1,063,911
Acquisitions and purchase price adjustments	—	398	12,974	—	13,372
Impairment	—	—	—	(225,500)	(225,500)
Balance at December 31, 2020	142,545	299,618	302,132	107,488	851,783
Acquisitions and purchase price adjustments	24,467	4,269	9,749	—	38,485
Intersegment transfers	(7,500)	—	900	6,600	—
Balance at December 31, 2021	<u>\$ 159,512</u>	<u>\$ 303,887</u>	<u>\$ 312,781</u>	<u>\$ 114,088</u>	<u>\$ 890,268</u>

The aggregate goodwill balance as of December 31, 2019 included \$268.1 million of accumulated impairment charges, which were comprised of \$139.5 million within the United States building services segment and \$128.6 million within the United States industrial services segment.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

Identifiable Intangible Assets and Other Long-Lived Assets

Our identifiable intangible assets, arising out of the acquisition of businesses, include customer relationships, certain subsidiary trade names, developed technology/vendor network, and contract backlog, all of which are subject to amortization. In addition, our identifiable intangible assets include certain other subsidiary trade names, which are indefinite-lived and therefore not subject to amortization.

Absent earlier indicators of impairment, we test for impairment of subsidiary trade names that are not subject to amortization on an annual basis (October 1). In performing this test, we calculate the fair value of each trade name using the “relief from royalty payments” methodology. This approach involves two steps: (a) estimating reasonable royalty rates for each trade name and (b) applying these royalty rates to a net revenue stream and discounting the resulting cash flows to determine fair value. This fair value is then compared with the carrying value of each trade name. If the carrying amount of the trade name is greater than the implied fair value of the trade name, an impairment in the amount of the excess is recognized and charged to operations. In addition, we review for impairment of identifiable intangible assets that are being amortized as well as other long-lived assets whenever facts and circumstances indicate that their carrying values may not be fully recoverable. This test compares their carrying values to the undiscounted pre-tax cash flows expected to result from the use of the assets. If the assets are impaired, the assets are written down to their fair values, generally determined based on their discounted estimated future cash flows.

For the years ended December 31, 2021 and 2019, no impairment of our indefinite-lived intangible assets, finite-lived intangible assets, or other long-lived assets was recognized.

Given the negative market conditions disclosed above, we evaluated certain of our identifiable intangible assets and other long-lived assets for impairment during the second quarter of 2020. Such assets included those associated with the businesses in our United States industrial services segment. As a result of these assessments, we recorded non-cash impairment charges of \$7.3 million, which were included within our results of operations for the year ended December 31, 2020.

Identifiable intangible assets as of December 31, 2021 and 2020 consisted of the following (in thousands):

	December 31, 2021			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	Total
Customer relationships	\$ 717,666	\$ (374,764)	\$ (4,834)	\$ 338,068
Trade names (unamortized)	274,721	—	(58,933)	215,788
Developed technology/Vendor network	95,661	(69,688)	—	25,973
Trade names (amortized)	32,366	(24,180)	—	8,186
Contract backlog	77,995	(76,645)	—	1,350
Total	<u>\$ 1,198,409</u>	<u>\$ (545,277)</u>	<u>\$ (63,767)</u>	<u>\$ 589,365</u>

	December 31, 2020			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	Total
Customer relationships	\$ 670,155	\$ (324,426)	\$ (4,834)	\$ 340,895
Trade names (unamortized)	258,471	—	(58,933)	199,538
Developed technology/Vendor network	95,661	(64,994)	—	30,667
Trade names (amortized)	31,516	(23,002)	—	8,514
Contract backlog	72,045	(68,766)	—	3,279
Total	<u>\$ 1,127,848</u>	<u>\$ (481,188)</u>	<u>\$ (63,767)</u>	<u>\$ 582,893</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

Identifiable intangible assets attributable to businesses acquired in 2021 and 2020 have been valued at \$70.6 million and \$38.1 million, respectively, and consist of customer relationships, trade names, and contract backlog. See Note 4 - Acquisitions of Businesses of the notes to consolidated financial statements for additional information with respect to acquisitions.

Identifiable intangible assets are amortized in a manner that best approximates the pattern in which the economic benefits of such assets are consumed, which is generally on a straight-line basis. The weighted average amortization periods for the unamortized balances remaining are, in the aggregate, approximately 7.50 years, which are comprised of the following: 7.50 years for customer relationships, 8.50 years for trade names, 5.75 years for developed technology/vendor network, and 0.25 years for contract backlog.

Amortization expense related to identifiable intangible assets with finite lives was \$64.1 million, \$60.0 million, and \$48.1 million for the years ended December 31, 2021, 2020, and 2019, respectively. The following table presents the estimated future amortization expense of identifiable intangible assets in the following years (in thousands):

2022	\$ 57,321
2023	54,891
2024	54,240
2025	53,158
2026	47,382
Thereafter	106,585
	<u>\$ 373,577</u>

Other Considerations

As referenced above, impairment testing is based upon assumptions and estimates determined by management from a review of our operating results and business plans as well as forecasts of anticipated growth rates and margins, among other considerations. In addition, estimates of weighted average costs of capital are developed with the assistance of an independent third-party valuation specialist. These assumptions and estimates may change in future periods, especially in consideration of the uncertainty created by the COVID-19 pandemic and its potential impact on the broader economy and our results of operations in future periods, particularly with respect to our United States industrial services segment. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 - DEBT

Debt in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Term loan, interest payable at varying amounts through 2025	\$ 256,688	\$ 270,563
Unamortized debt issuance costs	(3,040)	(4,000)
Finance lease liabilities	8,037	9,966
Total debt	261,685	276,529
Less: current maturities	16,235	16,910
Total long-term debt	<u>\$ 245,450</u>	<u>\$ 259,619</u>

Credit Agreement

Until March 2, 2020, we had a credit agreement dated as of August 3, 2016, which provided for a \$900.0 million revolving credit facility (the “2016 Revolving Credit Facility”) and a \$400.0 million term loan (the “2016 Term Loan”) (collectively referred to as the “2016 Credit Agreement”). On March 2, 2020, we amended and restated the 2016 Credit Agreement to provide for a \$1.3 billion revolving credit facility (the “2020 Revolving Credit Facility”) and a \$300.0 million term loan (the “2020 Term Loan”) (collectively referred to as the “2020 Credit Agreement”) expiring March 2, 2025. We may increase the 2020 Revolving Credit Facility to \$1.9 billion if additional lenders are identified and/or existing lenders are willing to increase their current commitments. We may allocate up to \$400.0 million of available capacity under the 2020 Revolving Credit Facility to letters of credit for our account or for the account of any of our subsidiaries.

At the Company’s election, borrowings under the 2020 Credit Agreement bear interest at either: (1) a base rate plus a margin of 0.00% to 0.75%, based on certain financial tests, or (2) United States dollar LIBOR (0.10% at December 31, 2021) plus 1.00% to 1.75%, based on certain financial tests. The base rate is determined by the greater of: (a) the prime commercial lending rate announced by Bank of Montreal from time to time (3.25% at December 31, 2021), (b) the federal funds effective rate, plus ½ of 1.00%, (c) the daily one month LIBOR rate, plus 1.00%, or (d) 0.00%. In the event of the discontinuation of LIBOR, our 2020 Credit Agreement contains provisions which allow for the use of alternate benchmark rates. The interest rate in effect at December 31, 2021 was 1.10%. A commitment fee is payable on the average daily unused amount of the 2020 Revolving Credit Facility, which ranges from 0.10% to 0.25%, based on certain financial tests. The fee was 0.10% of the unused amount as of December 31, 2021. Fees for letters of credit issued under the 2020 Revolving Credit Facility range from 0.75% to 1.75% of the respective face amounts of outstanding letters of credit, depending on the nature of the letter of credit, and are computed based on certain financial tests.

As of December 31, 2021 and 2020, the balance of the 2020 Term Loan was \$256.7 million and \$270.6 million, respectively. As of December 31, 2021 and 2020, there were no direct borrowings outstanding under the 2020 Revolving Credit Facility; however, we had \$71.3 million of letters of credit outstanding, which reduce the available capacity under such facility. We capitalized an additional \$3.1 million of debt issuance costs associated with the 2020 Credit Agreement. Debt issuance costs are amortized over the life of the agreement as part of interest expense.

Obligations under the 2020 Credit Agreement are guaranteed by most of our direct and indirect subsidiaries and are secured by substantially all of our assets. The 2020 Credit Agreement contains various covenants providing for, among other things, the maintenance of certain financial ratios and certain limitations on the payment of dividends, common stock repurchases, investments, acquisitions, indebtedness, and capital expenditures. We were in compliance with all such covenants as of December 31, 2021 and 2020.

We are required to make annual principal payments on the 2020 Term Loan. Any voluntary prepayments are applied against the outstanding balance of the loan and reduce our future scheduled payments on a ratable basis. Based on our outstanding balance, principal payments of \$13.9 million are due on December 31 of each year until maturity, with any remaining unpaid principal and interest due on March 2, 2025.

Finance Lease Liabilities

See Note 16 - Leases of the notes to consolidated financial statements for additional information.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 - FAIR VALUE MEASUREMENTS

For disclosure purposes, we utilize a fair value hierarchy to categorize qualifying assets and liabilities into three broad levels based on the priority of the inputs used to determine their fair values. The hierarchy, which gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs, is comprised of the following three levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – Observable inputs, other than Level 1 inputs, that are directly or indirectly observable for the asset or liability, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Unobservable inputs that reflect the reporting entity’s own assumptions.

Recurring Fair Value Measurements

The following tables summarize the assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2021 and 2020 (in thousands):

Asset Category	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 821,345	\$ —	\$ —	\$ 821,345
Restricted cash ⁽²⁾	1,223	—	—	1,223
Deferred compensation plan assets ⁽³⁾	42,344	—	—	42,344
Total	<u>\$ 864,912</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 864,912</u>

Asset Category	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 902,867	\$ —	\$ —	\$ 902,867
Restricted cash ⁽²⁾	695	—	—	695
Deferred compensation plan assets ⁽³⁾	36,491	—	—	36,491
Total	<u>\$ 940,053</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 940,053</u>

(1) Cash and cash equivalents consist of deposit accounts and money market funds with original maturity dates of three months or less, which are Level 1 assets. At December 31, 2021 and 2020, we had \$336.0 million and \$482.2 million, respectively, in money market funds.

(2) Restricted cash is classified as “Prepaid expenses and other” in the Consolidated Balance Sheets. Restricted cash primarily represents cash held in account for use on customer contracts.

(3) Deferred compensation plan assets are classified as “Other assets” in the Consolidated Balance Sheets.

Nonrecurring Fair Value Measurements

We have recorded goodwill and identifiable intangible assets in connection with our business acquisitions. Such assets are measured at fair value at the time of acquisition based on valuation techniques that appropriately represent the methods which would be used by other market participants in determining fair value. In addition, goodwill and intangible assets are tested for impairment using similar valuation methodologies to determine the fair value of such assets. Periodically, we engage an independent third-party valuation specialist to assist with the valuation process, including the selection of appropriate methodologies and the development of market-based assumptions. The inputs used for these nonrecurring fair value measurements represent Level 3 inputs.

Fair Value of Financial Instruments

We believe that the carrying values of our financial instruments, which include accounts receivable and other financing commitments, approximate their fair values due primarily to their short-term maturities and low risk of counterparty default. The carrying value of our debt associated with the 2020 Credit Agreement approximates its fair value due to the variable rate on such debt.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES

For the years ended December 31, 2021, 2020, and 2019, our income tax provision was calculated based on income before income taxes as follows (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
United States	\$ 497,421	\$ 228,181	\$ 430,253
Foreign	31,882	24,145	20,636
	<u>\$ 529,303</u>	<u>\$ 252,326</u>	<u>\$ 450,889</u>

Foreign income for each of the years ended December 31, 2021, 2020, and 2019 was predominately earned in the United Kingdom.

The income tax provision for the years ended December 31, 2021, 2020, and 2019 consisted of the following (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current provision:			
Federal	\$ 95,782	\$ 115,633	\$ 89,264
State and local	35,883	36,182	31,099
Foreign	4,420	3,922	3,685
	<u>136,085</u>	<u>155,737</u>	<u>124,048</u>
Deferred provision (benefit)	9,517	(36,354)	1,701
	<u>\$ 145,602</u>	<u>\$ 119,383</u>	<u>\$ 125,749</u>

For the year ended December 31, 2021, our income tax provision was \$145.6 million compared to \$119.4 million for the year ended December 31, 2020 and \$125.7 million for the year ended December 31, 2019. The increase in the income tax provision for 2021, when compared to 2020, was primarily driven by increased income before income taxes and the effect of certain increases in the deferred state tax provision. The decrease in the income tax provision for 2020, when compared to 2019, was primarily driven by reduced state income taxes, inclusive of a deferred state benefit, resulting from a change in the mix of earnings.

The income tax rates on income before income taxes for the years ended December 31, 2021, 2020, and 2019, were 27.5%, 47.3%, and 27.9%, respectively. The decrease in the 2021 income tax rate, when compared to 2020, and the increase in the 2020 income tax rate, when compared to 2019, was predominantly due to the tax effect, in 2020, of the impairment charges recorded during such year, the majority of which were non-deductible for tax purposes. Refer to Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements for further discussion regarding such impairment charges.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES (Continued)

Items accounting for the differences between income taxes computed at the federal statutory rate and the income tax provision for the years ended December 31, 2021, 2020, and 2019 were as follows (in thousands):

	2021	2020	2019
Federal income taxes at the statutory rate	\$ 111,118	\$ 52,989	\$ 94,687
State and local income taxes, net of federal tax benefits	31,257	19,290	24,904
Permanent differences	5,316	5,860	7,149
Non-deductible impairment charges	—	40,165	—
Foreign income taxes (including UK statutory rate changes)	(2,241)	(140)	(170)
Other	152	1,219	(821)
	<u>\$ 145,602</u>	<u>\$ 119,383</u>	<u>\$ 125,749</u>

The minimum tax on global intangible low-taxed income for certain earnings of our foreign subsidiaries was approximately \$0.1 million for each of the years ended December 31, 2021, 2020, and 2019. The Company recognizes such tax as an expense in the period incurred.

As of December 31, 2021, we had undistributed foreign earnings from certain foreign subsidiaries of approximately \$117.1 million. Based on our evaluation, and given that a significant portion of such earnings were subject to tax in prior periods, or are indefinitely reinvested, we have concluded that any taxes associated with the repatriation of such foreign earnings would be immaterial. As of December 31, 2021, the amount of cash held by these foreign subsidiaries was approximately \$113.5 million which, if repatriated, should not result in any material federal or state income taxes.

We file a consolidated federal income tax return including all of our U.S. subsidiaries with the Internal Revenue Service. We additionally file income tax returns with various state, local, and foreign tax agencies. Our income tax returns are subject to audit by various taxing authorities and are currently under examination for the years 2017 through 2019.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was signed into law. The CARES Act provides for various tax relief and tax incentive measures, which did not have a material impact on our results of operations. Certain provisions of the CARES Act, however, did favorably impact our liquidity throughout 2020 as they allowed for the deferral of the employer’s portion of current year Social Security tax payments. Our first installment of these deferred Social Security taxes, totaling approximately \$51 million, was repaid in the fourth quarter of 2021, and our second installment of approximately \$51 million is expected to be paid in the fourth quarter of 2022.

On December 27, 2020, the Consolidated Appropriations Act, 2021, was signed into law. This act provides for tax relief, as well as an omnibus appropriations package that extends various expiring tax provisions and allows for a 100% tax deduction for the cost of business meals in 2021 and 2022. The Consolidated Appropriations Act did not have a material impact on our income tax provision for the year ended December 31, 2021 and is not expected to have a material impact on our income tax provision for the year ending December 31, 2022.

On March 11, 2021, the American Rescue Plan Act was signed into law. Such act includes certain tax provisions that could have an impact on the Company in future periods, including expanded limits on compensation deductions under Section 162(m) of the Internal Revenue Code for tax years beginning after December 31, 2026. We are currently evaluating the impact that this act may have on our financial position and/or results of operations; however, we anticipate that the expanded provisions of Section 162(m) will result in an increase in our income tax rate for years beginning after December 31, 2026.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES (Continued)

Deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of assets and liabilities. The deferred income tax assets and deferred income tax liabilities recorded as of December 31, 2021 and 2020 were as follows (in thousands):

	December 31, 2021	December 31, 2020
Deferred income tax assets:		
Excess of amounts expensed for financial statement purposes over amounts deducted for income tax purposes:		
Insurance liabilities	\$ 50,316	\$ 47,602
Pension liability	—	6,789
Operating lease liabilities	76,451	68,652
Deferred compensation	40,080	36,790
Accrued federal payroll taxes ⁽¹⁾	14,235	27,428
Other (including liabilities and reserves)	31,252	29,816
Total deferred income tax assets	212,334	217,077
Valuation allowance for deferred tax assets	(2,465)	(3,856)
Net deferred income tax assets	209,869	213,221
Deferred income tax liabilities:		
Costs capitalized for financial statement purposes and deducted for income tax purposes:		
Goodwill and identifiable intangible assets	(154,382)	(146,821)
Operating lease right-of-use assets	(71,759)	(64,434)
Depreciation of property, plant and equipment	(25,341)	(23,958)
Pension asset	(1,847)	—
Other	(7,491)	(7,444)
Total deferred income tax liabilities	(260,820)	(242,657)
Net deferred income tax liabilities	\$ (50,951)	\$ (29,436)

(1) Represents employer Social Security tax payments deferred under the CARES Act.

At December 31, 2021, our net deferred income tax liabilities of \$51.0 million were included in “Other long-term obligations” in the accompanying Consolidated Balance Sheet. At December 31, 2020, the components of our net deferred income tax liabilities in the accompanying Consolidated Balance Sheet were included in “Other assets” in the amount of \$7.4 million and “Other long-term obligations” in the amount of \$36.8 million.

Valuation allowances are established when necessary to reduce deferred income tax assets when it is more likely than not that a tax benefit will not be realized. As of December 31, 2021 and 2020, the total valuation allowance on deferred income tax assets, related to state and local net operating losses and foreign income tax credit carryovers, was approximately \$2.5 million and \$3.9 million, respectively. The reduction in our valuation allowances at December 31, 2021 was a result of our assessment of recent financial performance and updated projections of future earnings for certain of our subsidiaries, which indicated that we would likely be able to utilize all, or a portion of, certain net operating loss carryforwards, for which we had previously established valuation allowances.

Realization of our deferred income tax assets is dependent on our generating sufficient taxable income in the jurisdictions in which such deferred tax assets will reverse. Although realization is not assured, based on current projections of future taxable income, we believe it is more likely than not that the deferred income tax assets, net of the valuation allowance discussed above, will be realized. However, revisions to our forecasts or declining macroeconomic conditions could result in changes to our assessment of the realization of these deferred income tax assets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 - COMMON STOCK

As of December 31, 2021 and 2020, there were 53,299,738 and 54,755,900 shares of our common stock outstanding, respectively.

We have paid quarterly dividends since October 25, 2011. We currently pay a regular quarterly dividend of \$0.13 per share.

In September 2011, our Board of Directors (the “Board”) authorized a share repurchase program allowing us to begin repurchasing shares of our outstanding common stock. Subsequently, the Board has from time to time increased the amount of our common stock that we may repurchase under such program. Since the inception of the repurchase program, the Board has authorized us to repurchase up to \$1.45 billion of our outstanding common stock. During the year ended December 31, 2021, we repurchased approximately 1.6 million shares of our common stock for approximately \$195.5 million. Since the inception of the repurchase program through December 31, 2021, we have repurchased approximately 19.2 million shares of our common stock for approximately \$1.10 billion. As of December 31, 2021, there remained authorization for us to repurchase approximately \$350.4 million of our shares. The repurchase program has no expiration date, does not obligate the Company to acquire any particular amount of common stock, and may be suspended, recommenced, or discontinued at any time or from time to time without prior notice. We may repurchase our shares from time to time to the extent permitted by securities laws and other legal requirements, including provisions in our 2020 Credit Agreement placing limitations on such repurchases. The repurchase program has been and will be funded from our operations.

NOTE 13 - SHARE-BASED COMPENSATION PLANS

We have an incentive plan under which stock awards, stock units, and other share-based compensation may be granted to officers, non-employee directors, and key employees of the Company. During 2020, we amended and restated our incentive plan, eliminating the ability to grant new stock options, until such time, if any, as the plan is subsequently amended to provide for the ability to make such grants. Under the terms of this plan, 3,250,000 shares were authorized, and 895,682 shares remain available for grant or issuance as of December 31, 2021. Any issuances under this plan are valued at the fair market value of our common stock on the grant date. Forfeitures are recognized as they occur.

The following table summarizes activity regarding stock options and restricted stock units since December 31, 2018:

Stock Options			Restricted Stock Units		
	Shares	Weighted Average Price		Shares	Weighted Average Price
Balance, December 31, 2018	40,000	\$ 24.48	Balance, December 31, 2018	476,586	\$ 63.52
Granted	—	—	Granted	169,766	\$ 64.34
Expired	—	—	Forfeited	(2,545)	\$ 71.88
Exercised	(20,000)	\$ 24.48	Vested	(226,229)	\$ 51.64
Balance, December 31, 2019	20,000	\$ 24.48	Balance, December 31, 2019	417,578	\$ 70.24
Granted	—	—	Granted	137,771	\$ 81.56
Expired	—	—	Forfeited	(984)	\$ 79.17
Exercised	(20,000)	\$ 24.48	Vested	(156,447)	\$ 72.72
Balance, December 31, 2020	—	—	Balance, December 31, 2020	397,918	\$ 73.16
Granted	—	—	Granted	129,859	\$ 96.32
Expired	—	—	Forfeited	(2,242)	\$ 78.86
Exercised	—	—	Vested	(121,067)	\$ 77.86
Balance, December 31, 2021	—	—	Balance, December 31, 2021	404,468	\$ 79.16

We recognized approximately \$11.1 million, \$11.2 million, and \$11.4 million of compensation expense for stock units awarded to non-employee directors and employees pursuant to incentive plans for the years ended December 31, 2021, 2020, and 2019, respectively. We have approximately \$9.3 million of compensation expense, net of income taxes, which will be recognized over the remaining vesting periods of up to 3 years. In addition, an aggregate of 67,942 restricted stock units granted to current or former non-employee directors vested as of December 31, 2021, but, at the election of such directors, issuance has been deferred for up to 5 years.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - SHARE-BASED COMPENSATION PLANS (Continued)

The income tax benefit derived in 2021, 2020, and 2019 as a result of share-based compensation was approximately \$2.6 million, \$1.9 million, and \$2.6 million, respectively, of which approximately \$0.8 million, \$0.2 million, and \$1.0 million, respectively, represented excess tax benefits.

The total intrinsic value (the amounts by which the stock price exceeded the exercise price on the date of exercise) of options that were exercised during both 2020 and 2019 was approximately \$1.2 million. There were no options outstanding at December 31, 2021 and 2020, however, the aggregate intrinsic value of options outstanding and exercisable as of December 31, 2019 was approximately \$1.2 million.

We have an employee stock purchase plan. Under the terms of this plan, the maximum number of shares of our common stock that may be purchased is 3,000,000 shares. Generally, our corporate employees and non-union employees of our United States subsidiaries are eligible to participate in this plan. Employees covered by collective bargaining agreements generally are not eligible to participate in this plan.

NOTE 14 - RETIREMENT PLANS

Defined Benefit Plans

The funded status of our defined benefit plans, which represents the difference between the fair value of plan assets and the projected benefit obligations, is recognized in the Consolidated Balance Sheets with a corresponding adjustment to accumulated other comprehensive income (loss). Gains and losses for the differences between actuarial assumptions and actual results are recognized through accumulated other comprehensive income (loss). These amounts will be subsequently recognized as net periodic pension cost (income) within the Consolidated Statement of Operations, as described further below.

Our United Kingdom subsidiary has a defined benefit pension plan covering all eligible employees (the “UK Plan”); however, no individual joining the company after October 31, 2001 may participate in the UK Plan. On May 31, 2010, we curtailed the future accrual of benefits for active employees under such plan.

The change in benefit obligations and assets of the UK Plan for the years ended December 31, 2021 and 2020 consisted of the following components (in thousands):

	2021	2020
Change in pension benefit obligation		
Benefit obligation at beginning of year	\$ 383,142	\$ 322,766
Interest cost	5,326	6,401
Actuarial (gain) loss	(22,071)	50,863
Benefits paid	(13,939)	(10,029)
Foreign currency exchange rate changes	(3,311)	13,141
Benefit obligation at end of year	<u>349,147</u>	<u>383,142</u>
Change in pension plan assets		
Fair value of plan assets at beginning of year	347,411	307,001
Actual return on plan assets	21,809	34,380
Employer contributions	4,956	4,665
Benefits paid	(13,939)	(10,029)
Foreign currency exchange rate changes	(3,705)	11,394
Fair value of plan assets at end of year	<u>356,532</u>	<u>347,411</u>
Funded (unfunded) status at end of year	<u>\$ 7,385</u>	<u>\$ (35,731)</u>

The overfunded status of the UK Plan of \$7.4 million at December 31, 2021 and the underfunded status of the UK Plan of \$35.7 million at December 31, 2020 are included in “Other Assets” and “Other long-term obligations,” respectively, in the accompanying Consolidated Balance Sheets. No plan assets are expected to be returned to us during the year ending December 31, 2022.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

The weighted average assumptions used to determine benefit obligations as of December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	1.8 %	1.4 %

The below table shows certain information for the UK Plan, as of December 31, 2020, when the accumulated benefit obligation was in excess of plan assets (in thousands):

	<u>December 31, 2020</u>
Projected benefit obligation	\$ 383,142
Accumulated benefit obligation	\$ 383,142
Fair value of plan assets	\$ 347,411

The components of net periodic pension cost (income) of the UK Plan for the years ended December 31, 2021, 2020, and 2019 were as follows (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Interest cost	\$ 5,326	\$ 6,401	\$ 7,961
Expected return on plan assets	(12,726)	(12,023)	(12,165)
Amortization of unrecognized loss	3,642	2,389	2,342
Net periodic pension cost (income)	<u>\$ (3,758)</u>	<u>\$ (3,233)</u>	<u>\$ (1,862)</u>

The weighted average assumptions used to determine net periodic pension cost for the years ended December 31, 2021, 2020, and 2019 were as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.4 %	2.1 %	2.9 %
Annual rate of return on plan assets	3.9 %	4.3 %	4.9 %

The annual rate of return on plan assets has been determined by modeling possible returns using the actuary's portfolio return calculator and the fair value of plan assets. This approach models the long term expected returns of the various asset classes held in the portfolio and takes into account the additional benefits of holding a diversified portfolio. For measurement purposes of the liability, the annual rates of inflation of covered pension benefits assumed for 2021 and 2020 were 2.9% and 2.5%, respectively.

Amounts not yet reflected in net periodic pension cost and included in accumulated other comprehensive loss were as follows (in thousands):

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Unrecognized actuarial losses	<u>\$ 89,572</u>	<u>\$ 125,020</u>

Actuarial gains and losses are amortized using a corridor approach whereby cumulative gains and losses in excess of the greater of 10% of the pension benefit obligation or the fair value of plan assets are amortized over the average life expectancy of plan participants. The amortization period for 2021 was 24 years.

The reclassification adjustment, net of income taxes, for the UK Plan from accumulated other comprehensive loss into net periodic pension cost was approximately \$2.9 million for the year ended December 31, 2021, and approximately \$1.9 million for the years ended December 31, 2020 and 2019. The estimated unrecognized loss for the UK Plan that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$1.8 million, net of income taxes.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

UK Plan Assets

The investment policies and strategies for the assets of the UK Plan are established by its trustees (who are independent of the Company) to achieve a reasonable balance between risk, likely return, and administration expense, as well as to maintain funds at a level to meet minimum funding requirements. In order to ensure that an appropriate investment strategy is in place, an analysis of the UK Plan's assets and liabilities is completed periodically. Target allocation percentages vary over time depending on the perceived risk and return potential of various asset classes and market conditions. The weighted average asset allocations and weighted average target allocations at December 31, 2021 and 2020 were as follows:

<u>Asset Category</u>	<u>Target Asset Allocation 2021</u>	<u>Actual December 31, 2021</u>	<u>Target Asset Allocation 2020</u>	<u>Actual December 31, 2020</u>
Debt	75.0 %	76.0 %	65.0 %	63.0 %
Equity	— %	— %	15.0 %	12.7 %
Cash and cash equivalents	15.0 %	16.5 %	10.0 %	17.1 %
Real estate	10.0 %	7.5 %	10.0 %	7.2 %
Total	100.0 %	100.0 %	100.0 %	100.0 %

Plan assets of our UK Plan are invested through third-party fund managers in various investments with underlying holdings which, as of December 31, 2021 and 2020, consisted of: (a) cash and cash equivalents, primarily held as collateral for other financial instruments, (b) debt securities, which include United Kingdom government debt and United States, United Kingdom, European, and emerging market corporate debt, and (c) real estate assets, which represent trusts which invest directly or indirectly in various properties throughout the United Kingdom. In addition, investment holdings as of December 31, 2020 contained equity securities, which included marketable equity and equity like instruments across developed global equity markets.

The following tables set forth the fair value of assets of the UK Plan as of December 31, 2021 and 2020 (in thousands):

<u>Asset Category</u>	<u>Assets at Fair Value as of December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Corporate debt funds	\$ —	\$ 67,226	\$ —	\$ 67,226
Government bond funds	—	91,899	—	91,899
Cash and cash equivalents	58,772	—	—	58,772
Total plan assets in fair value hierarchy	<u>\$ 58,772</u>	<u>\$ 159,125</u>	<u>\$ —</u>	<u>217,897</u>
Plan assets measured using NAV as a practical expedient: ⁽¹⁾				
Debt funds				111,971
Real estate funds				26,664
Total plan assets at fair value				<u>\$ 356,532</u>

<u>Asset Category</u>	<u>Assets at Fair Value as of December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Corporate debt funds	\$ —	\$ 65,486	\$ —	\$ 65,486
Government bond funds	—	57,133	—	57,133
Equity funds	—	44,132	—	44,132
Cash and cash equivalents	59,246	—	—	59,246
Total plan assets in fair value hierarchy	<u>\$ 59,246</u>	<u>\$ 166,751</u>	<u>\$ —</u>	<u>225,997</u>
Plan assets measured using NAV as a practical expedient: ⁽¹⁾				
Debt funds				96,196
Real estate funds				25,218
Total plan assets at fair value				<u>\$ 347,411</u>

(1) Certain investments measured using net asset value ("NAV") as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the total fair value of plan assets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Assets of the UK Plan are allocated within the fair value hierarchy discussed in Note 10 - Fair Value Measurements, based on the nature of the investment. Level 1 assets represent cash and cash equivalents. Level 2 assets consist of corporate debt funds, government bond funds, and equity funds whose underlying investments are valued using observable marketplace inputs. The fair value of the Level 2 assets are generally determined under a market approach using valuation models that incorporate observable inputs such as interest rates, bond yields, and quoted prices.

Investments valued using NAV as a practical expedient are excluded from the fair value hierarchy. These investments include: (a) funds which invest predominantly in senior secured debt instruments, targeting diversity across regions and sectors, as well as funds which invest in diversified credit vehicles that seek higher returns than traditional fixed income, primarily through investments in U.S. corporate debt, global credit, and structured debt, and (b) funds which aim to provide long-term income through investment in UK property assets. These investments are redeemable at NAV on a monthly or quarterly basis and have redemption notice periods of up to 90 days. In addition, certain of these investments are subject to a lockup period of up to 24 months.

The methods described above may produce fair values that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes the valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Cash Flows:

Contributions

Our United Kingdom subsidiary expects to contribute approximately \$4.5 million to the UK Plan in 2022.

Estimated Future Benefit Payments

The following estimated benefit payments are expected to be paid in the following years (in thousands):

	Pension Benefit Payments
2022	\$ 11,266
2023	\$ 11,171
2024	\$ 11,525
2025	\$ 12,099
2026	\$ 12,545
Succeeding five years	\$ 69,416

We also sponsor three domestic retirement plans in which participation by new individuals is frozen. The benefit obligation associated with these plans as of December 31, 2021 and 2020 was approximately \$8.5 million and \$9.2 million, respectively. The estimated fair value of the plan assets as of December 31, 2021 and 2020 was approximately \$6.3 million and \$6.0 million, respectively. The plan assets are considered Level 1 assets within the fair value hierarchy and are predominantly invested in cash, equities, and equity and bond funds. The liability balances as of December 31, 2021 and 2020 are classified as “Other long-term obligations” in the accompanying Consolidated Balance Sheets. The measurement date for these plans is December 31 of each year. The major assumptions used in the actuarial valuations to determine benefit obligations as of December 31, 2021 and 2020 included discount rates of 2.40% to 2.50% for 2021 and 2.00% to 2.25% for 2020. Also, included was an expected rate of return of 7.00% for both 2021 and 2020. The net periodic pension cost associated with the domestic plans was approximately \$0.1 million for the year ended December 31, 2021 and \$0.3 million for each of the years ended December 31, 2020 and 2019. The reclassification adjustment, net of income taxes, from accumulated other comprehensive loss into net periodic pension cost was approximately \$0.3 million for each of the years ended December 31, 2021 and 2020, and approximately \$0.2 million for the year ended December 31, 2019. The estimated loss for these plans that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$0.1 million, net of income taxes. The future estimated benefit payments expected to be paid from the plans for the next ten years is approximately \$0.6 million per year.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Defined Contribution Plans

We have defined contribution retirement and savings plans that cover eligible employees in the United States. Contributions to these plans are based on a percentage of the employee's base compensation. The expenses recognized for employer contributions to these plans were approximately \$33.0 million for the year ended December 31, 2021 and approximately \$32.4 million for each of the years ended December 31, 2020 and 2019. At our discretion and subject to applicable plan documents, we may make additional supplemental matching contributions to one of our defined contribution retirement and savings plans. The expenses recognized related to additional supplemental matching contributions for the years ended December 31, 2021, 2020, and 2019 were approximately \$7.7 million, \$9.1 million, and \$6.8 million, respectively.

Our United Kingdom subsidiary also has defined contribution retirement plans. The expense recognized related to employer matching contributions for the years ended December 31, 2021, 2020, and 2019 was approximately \$8.3 million, \$7.4 million, and \$6.1 million, respectively.

Multiemployer Plans

We participate in approximately 200 multiemployer pension plans ("MEPPs") that provide retirement benefits to certain union employees in accordance with various collective bargaining agreements ("CBAs"). As one of many participating employers in an MEPP, we are potentially liable with the other participating employers for any plan underfunding, either through an increase in our required contributions or, in the case of our withdrawal from the plan, a payment based upon our proportionate share of the plan's unfunded benefits, in each case, as described below. Our contributions to a particular MEPP are established by the applicable CBAs; however, our required contributions may increase based on the funded status of an MEPP and legal requirements of the Pension Protection Act of 2006 (the "PPA"), which requires substantially underfunded MEPPs to implement a funding improvement plan ("FIP") or a rehabilitation plan ("RP") to improve their funded status. Factors that could impact the funded status of an MEPP include, without limitation, investment performance, changes in the participant demographics, decline in the number of contributing employers, changes in actuarial assumptions, and the utilization of extended amortization provisions.

An FIP or RP requires a particular MEPP to adopt measures to correct its underfunding status. These measures may include, but are not limited to: (a) an increase in our contribution rate as a signatory to the applicable CBA, (b) a reallocation of the contributions already being made by participating employers for various benefits to individuals participating in the MEPP, and/or (c) a reduction in the benefits to be paid to future and/or current retirees. In addition, the PPA requires that a 5% surcharge be levied on employer contributions for the first year commencing after the date the employer receives notice that the MEPP is in critical status and a 10% surcharge on each succeeding year until a CBA is in place with terms and conditions consistent with the RP.

We could also be obligated to make payments to MEPPs if we either cease to have an obligation to contribute to the MEPP or significantly reduce our contributions to the MEPP because we reduce our number of employees who are covered by the relevant MEPP for various reasons, including, but not limited to, layoffs or closure of a subsidiary assuming the MEPP has unfunded vested benefits. The amount of such payments (known as a complete or partial withdrawal liability) would equal our proportionate share of the MEPPs' unfunded vested benefits. We believe that certain of the MEPPs in which we participate may have unfunded vested benefits. Due to uncertainty regarding future factors that could trigger withdrawal liability, as well as the absence of specific information regarding the MEPP's current financial situation, we are unable to determine: (a) the amount and timing of a future withdrawal liability, if any, and (b) whether our participation in these MEPPs could have a material adverse impact on our financial position, results of operations, or liquidity. We did not record any withdrawal liability for the years ended December 31, 2021, 2020, and 2019.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

The following table lists all MEPPs to which our contributions exceeded \$2.0 million in 2021. This table also lists all MEPPs to which we contributed in 2021 in excess of \$0.5 million for MEPPs in the critical status, “red zone,” and \$1.0 million for MEPPs in the endangered status, “orange or yellow zones,” as defined by the PPA (in thousands):

Pension Fund	EIN/ Pension Plan Number	PPA Zone Status ⁽¹⁾		FIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions ⁽²⁾	Expiration date or range of expiration dates of CBA(s)
		2021	2020		2021	2020	2019		
National Automatic Sprinkler Industry Pension Fund	52-6054620 001	Green	Red	NA	\$ 20,987	\$ 17,504	\$ 15,924	Yes	March 2022 to August 2025
United Association National Pension Fund (Formerly Plumbers & Pipefitters National Pension Fund)	52-6152779 001	Green	Yellow	NA	14,723	14,095	13,821	No	February 2022 to August 2026
National Electrical Benefit Fund	53-0181657 001	Green	Green	NA	12,310	11,573	16,901	No	April 2022 to May 2026
Pension, Hospitalization & Benefit Plan of the Electrical Industry-Pension Trust Account	13-6123601 001	Green	Green	NA	12,291	11,264	10,075	No	April 2022 to June 2024
Sheet Metal Workers National Pension Fund	52-6112463 001	Yellow	Yellow	Implemented	10,307	11,621	11,713	No	May 2022 to July 2027
Electrical Workers Local No. 26 Pension Trust Fund	52-6117919 001	Green	Green	NA	9,346	7,086	8,434	Yes	May 2022 to July 2024
Sheet Metal Workers Pension Plan of Northern California	51-6115939 001	Red	Red	Implemented	7,850	6,605	6,233	No	June 2022 to June 2026
Plumbers Pipefitters & Mechanical Equipment Service Local Union 392 Pension Plan	31-0655223 001	Red	Red	Implemented	7,110	5,667	6,412	Yes	June 2022
Central Pension Fund of the IUOE & Participating Employers	36-6052390 001	Green	Green	NA	6,627	6,115	6,253	No	March 2022 to December 2024
Southern California Pipe Trades Retirement Fund	51-6108443 001	Green	Green	NA	6,272	4,043	3,274	No	June 2022 to August 2026
Pipefitters Union Local 537 Pension Fund	51-6030859 001	Green	Green	NA	5,922	4,275	4,754	Yes	February 2022 to August 2025
Heating, Piping & Refrigeration Pension Fund	52-1058013 001	Green	Green	NA	5,591	3,349	4,185	No	July 2022
Southern California IBEW-NECA Pension Trust Fund	95-6392774 001	Yellow	Yellow	Implemented	4,876	5,719	6,277	No	June 2022 to May 2026
Edison Pension Plan	93-6061681 001	Green	Green	NA	4,229	3,864	5,361	Yes	December 2023
Electrical Contractors Association of the City of Chicago Local Union 134, IBEW Joint Pension Trust of Chicago Pension Plan 2	51-6030753 002	Green	Green	NA	4,225	3,004	3,204	No	May 2022 to June 2022
Arizona Pipe Trades Pension Trust Fund	86-6025734 001	Green	Green	NA	4,076	4,142	6,071	Yes	May 2022 to June 2024
San Diego Electrical Pension Plan	95-6101801 001	Green	Green	NA	4,068	4,383	3,843	Yes	May 2024
U.A. Local 393 Pension Trust Fund Defined Benefit	94-6359772 002	Green	Green	NA	3,507	3,168	3,858	Yes	June 2022 to June 2024
Boilermaker-Blacksmith National Pension Trust	48-6168020 001	Yellow	Yellow	Implemented	3,479	1,574	1,681	No	April 2022 to September 2024
Sheet Metal Workers Pension Plan of Southern California, Arizona & Nevada	95-6052257 001	Yellow	Yellow	Implemented	3,322	2,706	2,423	No	June 2022 to June 2026
Eighth District Electrical Pension Fund	84-6100393 001	Green	Green	NA	3,298	3,242	3,590	Yes	May 2023 to August 2024
Northern California Pipe Trades Pension Plan	94-3190386 001	Green	Green	NA	2,663	2,463	3,077	No	June 2022 to June 2024

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Pension Fund	EIN/ Pension Plan Number	PPA Zone Status ⁽¹⁾		FIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions ⁽²⁾	Expiration date or range of expiration dates of CBA(s)
		2021	2020		2021	2020	2019		
Atlanta Plumbers and Steamfitters Pension Fund	58-1233396 001	Green	Green	NA	2,496	1,576	310	Yes	May 2022 to January 2025
NECA-IBEW Pension Trust Fund	51-6029903 001	Green	Green	NA	2,491	2,369	2,528	No	May 2022 to December 2022
IBEW 332 Pension Fund - Part A	94-2688032 004	Green	Green	NA	2,339	1,211	1,633	No	May 2024
U.A. Plumbers Local 24 Pension Fund	22-6042823 001	Green	Green	NA	2,270	2,460	2,460	Yes	April 2025
IBEW Local 595 Pension Plan	94-6279541 001	Green	Green	NA	2,042	569	1,653	No	November 2022 to May 2023
Plumbing & Pipe Fitting Local 219 Pension Fund	34-6682376 001	Red	Red	Implemented	1,167	1,680	1,937	Yes	May 2022 to May 2025
Plumbers & Pipefitters Local 162 Pension Fund	31-6125999 001	Yellow	Yellow	Implemented	1,034	969	1,124	Yes	May 2022
Steamfitters Local Union No. 420 Pension Plan	23-2004424 001	Red	Red	Implemented	677	553	641	No	May 2022 to April 2024
South Florida Electrical Workers Pension Plan and Trust	59-6230530 001	Red	Red	Implemented	594	261	323	No	August 2022
Carpenters Pension Trust Fund for Northern California	94-6050970 001	Red	Red	Implemented	568	385	435	No	June 2023
Other Multiemployer Pension Plans					55,315	54,587	55,070		Various
Total Contributions					<u>\$228,072</u>	<u>\$204,082</u>	<u>\$215,478</u>		

- (1) The zone status represents the most recent available information for the respective MEPP, which may be 2020 or earlier for the 2021 year and 2019 or earlier for the 2020 year. In general, plans with a “green” zone status have a funding ratio of at least 80%, plans with an “orange” or “yellow” zone status have a funding ratio of between 65% and less than 80%, and plans with a “red” zone status are less than 65% funded.
- (2) This information was obtained from the respective plan’s Form 5500 (“Forms”) for the most current available filing. These dates may not correspond with our fiscal year contributions. The percentages of contributions are based upon disclosures contained in the plans’ Forms. Those Forms, among other things, disclose the names of individual participating employers whose annual contributions account for more than 5% of the aggregate annual amount contributed by all participating employers for a plan year. Accordingly, if the annual contribution of two or more of our subsidiaries each accounted for less than 5% of such contributions, but in the aggregate accounted for in excess of 5% of such contributions, that greater percentage is not available and accordingly is not disclosed.

The nature and diversity of our operations may result in volatility in the amount of our contributions to a particular MEPP for any given period. That is because, in any given market, a change in the mix, volume of, or size of our projects could result in a change in our direct labor force and a corresponding change in our contributions to the MEPP(s) dictated by the applicable CBA. Additionally, the amount of contributions to a particular MEPP could also be affected by the terms of the CBA, which could require at a particular time, an increase in the contribution rate and/or surcharges. Acquisitions made by us since 2019 have resulted in incremental contributions to various MEPPs of approximately \$3.8 million.

Additionally, we contribute to certain multiemployer plans that provide post retirement benefits such as health and welfare benefits and/or defined contribution/annuity plans, among others. Our contributions to these plans were approximately \$168.4 million, \$156.1 million, and \$153.5 million for the years ended December 31, 2021, 2020, and 2019, respectively. Acquisitions made by us since 2019 have resulted in incremental contributions to such other post retirement benefit plans of approximately \$2.9 million. The amount of contributions to these plans is also subject, for the most part, to the factors discussed above in conjunction with the MEPPs.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Severance Agreements

We have agreements with our executive officers and certain other key management personnel providing for severance benefits for such employees upon termination of their employment under certain circumstances.

Guarantees

In the ordinary course of business, we, at times, guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

Surety Bonds

The terms of our construction contracts frequently require that we obtain from surety companies, and provide to our customers, surety bonds as a condition to the award of such contracts. These surety bonds are issued in return for premiums, which vary depending on the size and type of the bond, and secure our payment and performance obligations under such contracts. We have agreed to indemnify the surety companies for amounts, if any, paid by them in respect of surety bonds issued on our behalf. As of December 31, 2021, based on the percentage-of-completion of our projects covered by surety bonds, our aggregate estimated exposure, assuming defaults on all our then existing contractual obligations, was approximately \$1.5 billion, which represents approximately 26% of our total remaining performance obligations.

Surety bonds are sometimes provided to secure obligations for wages and benefits payable to or for certain of our employees, at the request of labor unions representing such employees. In addition, surety bonds may be issued as collateral for certain insurance obligations. As of December 31, 2021, we satisfied approximately \$48.1 million of the collateral requirements of our insurance programs by utilizing surety bonds.

We are not aware of any losses in connection with surety bonds that have been posted on our behalf, and we do not expect to incur significant losses in the foreseeable future.

Hazardous Materials

We are subject to regulation with respect to the handling of certain materials used in construction, which are classified as hazardous or toxic by federal, state, and local agencies. Our practice is to avoid participation in projects principally involving the remediation or removal of such materials. However, when remediation is required as part of our contract performance, we believe we comply with all applicable regulations governing the discharge of hazardous materials into the environment or otherwise relating to the protection of the environment.

Collective Bargaining Agreements

At December 31, 2021, we employed approximately 34,000 people, approximately 60% of whom are represented by various unions pursuant to nearly 450 collective bargaining agreements between our individual subsidiaries or trade associations and local unions, as well as two collective bargaining agreements that are national or regional in scope. We believe that our relations with our labor unions are generally positive.

Government Contracts

As a government contractor, we are subject to U.S. government audits and investigations relating to our operations, which such audits may result in fines, penalties and compensatory and treble damages, and possible suspension or debarment from doing business with the government. Based on currently available information, we believe the outcome of ongoing government disputes and investigations will not have a material impact on our financial position, results of operations, or liquidity.

Legal Proceedings

We are involved in several legal proceedings in which damages and claims have been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. We record a loss contingency if the potential loss from a proceeding or claim is considered probable and the amount can be reasonably estimated or a range of loss can be determined. We provide disclosure when it is reasonably possible that a loss will be incurred in excess of any recorded provision. Significant judgment is required in these determinations. As additional information becomes available, we reassess prior determinations and may change our estimates. Additional claims may be asserted against us in the future. Litigation is subject to many uncertainties, and the outcome of litigation is not predictable with assurance. It is possible that a litigation matter for which liabilities have not been recorded could be decided unfavorably to us, and that any such unfavorable decision could have a material adverse effect on our financial position, results of operations, or liquidity.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES

We lease real estate, vehicles, and equipment under various arrangements which are classified as either operating or finance leases. A lease exists when a contract or part of a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In determining whether a lease exists, we consider whether a contract provides us with both: (a) the right to obtain substantially all of the economic benefits from the use of the identified asset and (b) the right to direct the use of the identified asset.

Many of our leases include base rental periods coupled with options to renew or terminate the lease, generally at our discretion. Certain leases additionally include options to purchase the leased asset. In evaluating the lease term, we consider whether we are reasonably certain to exercise such options. To the extent a significant economic incentive exists to exercise an option, that option is included within the lease term. However, based on the nature of our lease arrangements, options generally do not provide us with a significant economic incentive and are therefore excluded from the lease term for the majority of our arrangements.

Our leases typically include a combination of fixed and variable payments. Fixed payments are generally included when measuring the right-of-use asset and lease liability. Variable payments, which primarily represent payments based on usage of the underlying asset, are generally excluded from such measurement and expensed as incurred. In addition, certain of our lease arrangements may contain a lease coupled with an arrangement to provide other services, such as maintenance, or may require us to make other payments on behalf of the lessor related to the leased asset, such as payments for taxes or insurance. We account for these non-lease components together with the associated lease component for each of our asset classes.

The measurement of right-of-use assets and lease liabilities requires us to estimate appropriate discount rates. To the extent the rate implicit in the lease is readily determinable, such rate is utilized. However, based on information available at lease commencement for the majority of our leases, the rate implicit in the lease is not known. In these instances, we utilize an incremental borrowing rate, which represents the rate of interest that we would pay to borrow on a collateralized basis, over a similar term, an amount equal to the lease payments.

Our lease arrangements generally do not contain significant restrictions or covenants; however, certain of our vehicle and equipment leases include residual value guarantees, whereby we provide a guarantee to the lessor that the value of the underlying asset will be at least a specified amount at the end of the lease. Amounts probable of being owed under these guarantees are included within the measurement of the right-of-use asset and lease liability.

Lease Position

The following table presents our lease-related assets and liabilities as of December 31, 2021 and 2020 (in thousands):

Classification on the Consolidated Balance Sheet		December 31, 2021	December 31, 2020
Assets			
Operating lease assets	Operating lease right-of-use assets	\$ 260,778	\$ 242,155
Finance lease assets	Property, plant and equipment, net	7,666	9,638
Total lease assets		<u>\$ 268,444</u>	<u>\$ 251,793</u>
Liabilities			
Current			
Operating	Operating lease liabilities, current	\$ 57,814	\$ 53,632
Finance	Current maturities of long-term debt and finance lease liabilities	3,320	3,995
Noncurrent			
Operating	Operating lease liabilities, long-term	220,836	205,362
Finance	Long-term debt and finance lease liabilities	4,717	5,971
Total lease liabilities		<u>\$ 286,687</u>	<u>\$ 268,960</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES (Continued)

Lease Costs

The following table presents information related to our lease expense for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Finance lease expense:			
Amortization expense	\$ 4,255	\$ 4,562	\$ 4,575
Interest expense	255	355	427
Operating lease expense	70,928	69,208	66,650
Short-term lease expense ⁽¹⁾	150,500	139,706	149,528
Variable lease expense	5,421	5,441	4,924
Total lease expense	\$ 231,359	\$ 219,272	\$ 226,104

(1) Short-term lease expense includes both leases and rentals with initial terms of one year or less and predominantly represents equipment used on construction projects.

Sublease rental income was approximately \$0.2 million for the year ended December 31, 2021, and \$0.5 million for each of the years ended December 31, 2020 and 2019.

Lease Term and Discount Rate

The following table presents certain information related to the lease terms and discount rates for our leases as of December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
Weighted-average remaining lease term:		
Operating leases	6.4 years	6.6 years
Finance leases	2.9 years	3.1 years
Weighted-average discount rate:		
Operating leases	3.20 %	3.59 %
Finance leases	2.61 %	3.24 %

Other Information

The following table presents supplemental cash flow information related to our leases for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows used for operating leases	\$ 69,797	\$ 65,016	\$ 65,757
Operating cash flows used for finance leases	\$ 255	\$ 355	\$ 427
Financing cash flows used for finance leases	\$ 4,189	\$ 4,470	\$ 4,571
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 80,661	\$ 55,895	\$ 84,089
Right-of-use assets obtained in exchange for new finance lease liabilities	\$ 2,301	\$ 4,558	\$ 5,311

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES (Continued)

Maturity of Lease Liabilities

The following table reconciles our future minimum lease payments on an undiscounted cash flow basis to our lease liabilities reported in the Consolidated Balance Sheet as of December 31, 2021 (in thousands):

	Operating Leases	Finance Leases
2022	\$ 65,528	\$ 3,469
2023	56,229	2,238
2024	45,037	1,742
2025	36,077	705
2026	29,044	140
Thereafter	77,556	10
Total minimum lease payments	309,471	8,304
Less: Amount of lease payments representing interest	(30,821)	(267)
Present value of future minimum lease payments	<u>\$ 278,650</u>	<u>\$ 8,037</u>
Current portion of lease liabilities	\$ 57,814	\$ 3,320
Noncurrent portion of lease liabilities	220,836	4,717
Present value of future minimum lease payments	<u>\$ 278,650</u>	<u>\$ 8,037</u>

NOTE 17 - ADDITIONAL CASH FLOW INFORMATION

The following table presents information about cash paid for interest and income taxes for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Cash paid during the year for:			
Interest	\$ 5,259	\$ 8,289	\$ 12,683
Income taxes	\$ 130,811	\$ 145,386	\$ 126,169

NOTE 18 - SEGMENT INFORMATION

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services;
- United States mechanical construction and facilities services;
- United States building services;
- United States industrial services; and
- United Kingdom building services.

For a more complete description of our operations, refer to Item 1. Business.

Our reportable segments reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

The following tables present financial information for each of our reportable segments for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues from unrelated entities:			
United States electrical construction and facilities services	\$ 2,015,466	\$ 1,806,092	\$ 1,961,798
United States mechanical construction and facilities services	3,922,864	3,485,495	3,340,337
United States building services	2,468,892	2,134,016	2,121,661
United States industrial services	986,407	940,895	1,327,556
Total United States operations	<u>9,393,629</u>	<u>8,366,498</u>	<u>8,751,352</u>
United Kingdom building services	509,951	430,563	423,259
Total operations	<u>\$ 9,903,580</u>	<u>\$ 8,797,061</u>	<u>\$ 9,174,611</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total revenues:			
United States electrical construction and facilities services	\$ 2,019,400	\$ 1,812,445	\$ 1,965,483
United States mechanical construction and facilities services	3,939,753	3,502,131	3,370,960
United States building services	2,564,013	2,213,161	2,197,305
United States industrial services	1,021,217	956,373	1,351,448
Less intersegment revenues	<u>(150,754)</u>	<u>(117,612)</u>	<u>(133,844)</u>
Total United States operations	9,393,629	8,366,498	8,751,352
United Kingdom building services	509,951	430,563	423,259
Total operations	<u>\$ 9,903,580</u>	<u>\$ 8,797,061</u>	<u>\$ 9,174,611</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating income (loss):			
United States electrical construction and facilities services	\$ 168,363	\$ 161,810	\$ 147,817
United States mechanical construction and facilities services	319,112	292,536	225,040
United States building services	119,024	114,159	115,432
United States industrial services	<u>(1,666)</u>	<u>1,175</u>	<u>57,529</u>
Total United States operations	604,833	569,680	545,818
United Kingdom building services	27,998	20,660	18,323
Corporate administration	<u>(102,031)</u>	<u>(98,542)</u>	<u>(101,726)</u>
Restructuring expenses	—	(2,214)	(1,523)
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	<u>—</u>	<u>(232,750)</u>	<u>—</u>
Total operations	530,800	256,834	460,892
Other items:			
Net periodic pension (cost) income	3,625	2,980	1,553
Interest expense	<u>(6,071)</u>	<u>(9,009)</u>	<u>(13,821)</u>
Interest income	949	1,521	2,265
Income before income taxes	<u>\$ 529,303</u>	<u>\$ 252,326</u>	<u>\$ 450,889</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Capital expenditures:			
United States electrical construction and facilities services	\$ 4,976	\$ 8,674	\$ 4,839
United States mechanical construction and facilities services	10,420	11,239	7,890
United States building services	11,236	10,372	14,370
United States industrial services	6,159	9,595	16,760
Total United States operations	<u>32,791</u>	<u>39,880</u>	<u>43,859</u>
United Kingdom building services	3,015	3,693	3,598
Corporate administration	386	4,396	975
Total operations	<u>\$ 36,192</u>	<u>\$ 47,969</u>	<u>\$ 48,432</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Depreciation and amortization of property, plant and equipment:			
United States electrical construction and facilities services	\$ 7,189	\$ 6,693	\$ 6,664
United States mechanical construction and facilities services	11,130	10,683	8,764
United States building services	12,354	12,325	12,752
United States industrial services	11,723	12,405	12,016
Total United States operations	<u>42,396</u>	<u>42,106</u>	<u>40,196</u>
United Kingdom building services	3,938	3,046	2,942
Corporate administration	2,013	1,569	807
Total operations	<u>\$ 48,347</u>	<u>\$ 46,721</u>	<u>\$ 43,945</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Contract assets:			
United States electrical construction and facilities services	\$ 48,161	\$ 30,728	\$ 47,522
United States mechanical construction and facilities services	87,516	68,058	61,225
United States building services	44,625	31,304	30,557
United States industrial services	18,992	11,311	12,982
Total United States operations	<u>199,294</u>	<u>141,401</u>	<u>152,286</u>
United Kingdom building services	30,849	30,555	25,544
Total operations	<u>\$ 230,143</u>	<u>\$ 171,956</u>	<u>\$ 177,830</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Contract liabilities:			
United States electrical construction and facilities services	\$ 198,247	\$ 182,228	\$ 166,448
United States mechanical construction and facilities services	406,509	386,180	317,083
United States building services	133,061	106,691	101,963
United States industrial services	16,481	17,304	15,548
Total United States operations	<u>754,298</u>	<u>692,403</u>	<u>601,042</u>
United Kingdom building services	33,836	29,849	22,600
Total operations	<u>\$ 788,134</u>	<u>\$ 722,252</u>	<u>\$ 623,642</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Long-lived assets:			
United States electrical construction and facilities services	\$ 236,813	\$ 176,708	\$ 175,038
United States mechanical construction and facilities services	506,290	512,243	530,561
United States building services	509,096	493,274	459,934
United States industrial services	365,563	394,505	654,956
Total United States operations	<u>1,617,762</u>	<u>1,576,730</u>	<u>1,820,489</u>
United Kingdom building services	11,402	12,017	9,622
Corporate administration	2,535	4,356	1,431
Total operations	<u>\$ 1,631,699</u>	<u>\$ 1,593,103</u>	<u>\$ 1,831,542</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Total assets:			
United States electrical construction and facilities services	\$ 848,306	\$ 672,226	\$ 736,688
United States mechanical construction and facilities services	1,668,419	1,542,531	1,536,325
United States building services	1,101,082	1,040,160	1,008,263
United States industrial services	589,017	550,513	916,308
Total United States operations	<u>4,206,824</u>	<u>3,805,430</u>	<u>4,197,584</u>
United Kingdom building services	241,740	227,894	181,147
Corporate administration	992,882	1,030,516	451,627
Total operations	<u>\$ 5,441,446</u>	<u>\$ 5,063,840</u>	<u>\$ 4,830,358</u>

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of EMCOR Group, Inc. and subsidiaries:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of EMCOR Group, Inc. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 24, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue Recognition from Construction Contracts

Description of the Matter

As described in Note 3 to the consolidated financial statements, the Company generally recognizes revenue from construction contracts over time using a cost-to-cost input method in which the extent of progress is measured based on the ratio of costs incurred to date to the total estimated costs at completion. In addition, the revenue recognition process requires the Company to determine the transaction price that represents the amount of consideration to which the Company expects to be entitled. A significant portion of the Company's revenues for the year ended December 31, 2021 were derived from construction contracts.

The determination of revenue recognized from construction contracts commonly requires the Company to estimate variable consideration that arises from pending change orders, contract claims, contract bonuses, and penalties, as well as to prepare estimates of the costs to complete contracts. Factors inherent in the estimation processes include, among others, historical experience with customers, the potential long-term nature of dispute resolutions, actions of third parties as well as the Company's experience with similar types of contracts. Due to uncertainties attributed to such factors, auditing revenue recognized from construction contracts involved especially challenging, subjective, and complex judgments.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls related to revenue recognition from construction contracts. For example, we tested controls over the Company's determination and review of estimates of variable consideration, costs to complete, and the completeness and accuracy of data utilized in conjunction with such estimation processes.

To test the amount of revenue recognized from construction contracts in the current period, we selected a sample of contracts and performed procedures to test the project revenue and cost forecasts. For example, we obtained and inspected the related contract agreements, amendments, and change orders to test the existence of customer arrangements and understand the scope and pricing of the related projects; performed inquiries of management and project personnel regarding facts and circumstances relevant to the accounting for such contracts; tested key components of the estimated costs to complete, including materials, labor, and subcontractors costs; agreed actual costs incurred to supporting documentation; and recalculated revenues recognized based on the project's percentage of completion and management's estimate of transaction price. In addition, we performed certain retrospective review procedures to assess management's historical ability to accurately estimate the transaction price and costs to complete contracts as well as to identify any significant or unusual changes in project revenue and cost forecasts during the period.

Valuation of Goodwill and Indefinite-Lived Intangible Assets

Description of the Matter

At December 31, 2021, the Company's goodwill and indefinite-lived trade name intangible assets were approximately \$890.3 million and \$215.8 million, respectively. As discussed in Note 8 to the consolidated financial statements, goodwill and trade names with indefinite lives are tested for impairment at least annually.

Auditing management's annual impairment tests was especially complex and subjective due to the significant estimation required in determining the fair value of the reporting units for goodwill and the fair value of trade name intangible assets. In particular, the fair value estimates for goodwill were sensitive to significant assumptions inherent in the Company's discounted estimated future cash flows such as the weighted average cost of capital, revenue growth rates, and operating margins. The fair value estimates for trade name intangible assets were sensitive to significant assumptions inherent in the Company's discounted estimated future cash flows such as the royalty rate, discount rate, and revenue growth rates. The fair value estimates for goodwill and trade name intangible assets are affected by expectations about future market or economic conditions, including the effects of the COVID-19 pandemic and other macroeconomic events relevant to certain markets in which the Company operates.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's impairment review processes for goodwill and trade name intangible assets. For example, we tested management's review controls over the valuation models and significant assumptions described above, including those developed by the Company's third-party valuation specialists.

To test the estimated fair value of the Company's reporting units and trade name intangible assets, with the support of a valuation specialist, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions and completeness and accuracy of the underlying data used by the Company in its analyses. For example, we compared the significant assumptions used by management to the historical financial results of the Company's reporting units and to current industry and economic trends. We assessed the historical accuracy of management's estimates by comparing past projections to actual performance and performed sensitivity analyses of significant assumptions to evaluate the changes in fair value that would result from changes in the assumptions. In addition, we reviewed the reconciliation of the aggregate fair value of the Company's reporting units to the market capitalization of the Company.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Stamford, Connecticut
February 24, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of EMCOR Group, Inc. and subsidiaries:

Opinion on Internal Control Over Financial Reporting

We have audited EMCOR Group, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, EMCOR Group, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2021 consolidated financial statements of the Company and our report dated February 24, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Stamford, Connecticut

February 24, 2022

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Based on an evaluation of our disclosure controls and procedures (as required by Rules 13a-15(b) of the Securities Exchange Act of 1934), our Chairman, President and Chief Executive Officer, Anthony J. Guzzi, and our Executive Vice President and Chief Financial Officer, Mark A. Pompa, have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) are effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934). Our internal control over financial reporting is a process designed with the participation of our principal executive officer and principal financial officer or persons performing similar functions to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that: (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of assets, (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and Board of Directors, and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, our disclosure controls and procedures may not prevent or detect misstatements. A control system, no matter how well conceived and operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2021, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management has determined that EMCOR's internal control over financial reporting was effective as of December 31, 2021.

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report appearing in Item 8 of this Form 10-K, which such report expressed an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2021.

Changes in Internal Control over Financial Reporting

In addition, our management with the participation of our principal executive officer and principal financial officer or persons performing similar functions has determined that no change in our internal control over financial reporting (as that term is defined in Rules 13(a)-15(f) and 15(d)-15(f) of the Securities Exchange Act of 1934) occurred during the fourth quarter of our fiscal year ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item 10 with respect to directors is incorporated herein by reference to the section of our definitive Proxy Statement for the 2022 Annual Meeting of Stockholders entitled “Election of Directors,” which Proxy Statement is to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year to which this Form 10-K relates (the “Proxy Statement”). The information, if any, required by this Item 10 concerning compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated herein by reference to the section of the Proxy Statement entitled “Delinquent Section 16(a) Reports.” The information required by this Item 10 concerning the Audit Committee of our Board of Directors and Audit Committee financial experts is incorporated by reference to the section of the Proxy Statement entitled “Meetings and Committees of the Board of Directors” and “Corporate Governance.” The information required by this Item 10 regarding stockholder recommendations for director candidates is incorporated by reference to the section of the Proxy Statement entitled “Recommendations for Director Candidates.” Information regarding our executive officers is contained in Part I of this Form 10-K following Item 4 under the heading “Executive Officers of the Registrant.” We have adopted a Code of Ethics that applies to our Chief Executive Officer and our Senior Financial Officers, which is listed on the Exhibit Index.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the sections of the Proxy Statement entitled “Compensation Discussion and Analysis,” “Executive Compensation and Related Information,” “Potential Post Employment Payments,” “Director Compensation,” “Compensation Committee Interlocks and Insider Participation” and “Compensation Committee Report.”

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 (other than the information required by Section 201(d) of Regulation S-K, which is set forth below) is incorporated herein by reference to the sections of the Proxy Statement entitled “Security Ownership of Certain Beneficial Owners” and “Security Ownership of Management.”

Securities Authorized for Issuance Under Equity Compensation Plans. The following table summarizes, as of December 31, 2021, certain information regarding equity compensation plans that were approved by stockholders and equity compensation plans that were not approved by stockholders.

Plan Category	Equity Compensation Plan Information		
	A	B	C
	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column A)
Equity Compensation Plans Approved by Security Holders	472,410	\$ —	895,682 ⁽¹⁾
Equity Compensation Plans Not Approved by Security Holders	—	—	—
Total	472,410	\$ —	895,682⁽¹⁾

(1) Represents shares of our common stock available for future issuance under our 2010 Incentive Plan, which may be issued pursuant to the award of restricted stock, unrestricted stock and/or awards that are valued in whole or in part by reference to, or are otherwise based on the fair market value of, our common stock.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated herein by reference to the sections of the Proxy Statement entitled “Compensation Committee Interlocks and Insider Participation” and “Corporate Governance.”

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item 14 is incorporated herein by reference to the section of the Proxy Statement entitled “Ratification of Appointment of Independent Auditors.”

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following consolidated financial statements of EMCOR Group, Inc. and Subsidiaries are filed as part of this report under Part II, Item 8. Financial Statements and Supplementary Data:

Financial Statements:

Consolidated Balance Sheets - December 31, 2021 and 2020

Consolidated Statements of Operations - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements Comprehensive Income - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements of Cash Flows - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements of Equity - Years Ended December 31, 2021, 2020, and 2019

Notes to Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)

(a)(2) The following financial statement schedule is included in this Form 10-K: Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not required, are inapplicable, or the information is otherwise shown in the consolidated financial statements or notes thereto.

(a)(3) The exhibits filed in response to Item 601 of Regulation S-K are listed in the Exhibit Index.

(b) Exhibit Index

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
3(a-1)	Restated Certificate of Incorporation of EMCOR filed December 15, 1994	Exhibit 3(a-5) to EMCOR's Registration Statement on Form 10 as originally filed March 17, 1995 ("Form 10")
3(a-2)	Amendment dated November 28, 1995 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1995 ("1995 Form 10-K")
3(a-3)	Amendment dated February 12, 1998 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-3) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1997 ("1997 Form 10-K")
3(a-4)	Amendment dated January 27, 2006 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-4) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2005 ("2005 Form 10-K")
3(a-5)	Amendment dated September 18, 2007 to the Restated Certificate of Incorporation of EMCOR	Exhibit A to EMCOR's Proxy Statement dated August 17, 2007 for Special Meeting of Stockholders held September 18, 2007
3(b)	Amended and Restated By-Laws and Amendments thereto	Exhibit 3(b) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2016 ("2016 Form 10-K")
4(a)	Sixth Amended and Restated Credit Agreement dated as of March 2, 2020 by and among EMCOR and a subsidiary and Bank of Montreal, as Agent and the lenders listed on the signature pages thereof	Exhibit 4(a) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 ("March 2020 Form 10-Q")
4(b)	Sixth Amended and Restated Security Agreement dated as of March 2, 2020 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(b) to the March 2020 Form 10-Q
4(c)	Sixth Amended and Restated Pledge Agreement dated as of March 2, 2020 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(c) to the March 2020 Form 10-Q
4(d)	Fifth Amended and Restated Guaranty Agreement dated as of March 2, 2020 by certain of EMCOR's U.S. subsidiaries in favor of Bank of Montreal, as Agent	Exhibit 4(d) to the March 2020 Form 10-Q
4(e)	Description of Registrant's Securities	Exhibit 4(e) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2020 ("2020 Form 10-K")
4(f)	LIBOR Cessation Letter Agreement	Filed herewith
10(a)	Form of Severance Agreement ("Severance Agreement") between EMCOR and each of R. Kevin Matz and Mark A. Pompa	Exhibit 10.1 to EMCOR's Report on Form 8-K (Date of Report April 25, 2005)
10(b)	Form of Amendment to Severance Agreement between EMCOR and each of R. Kevin Matz and Mark A. Pompa	Exhibit 10(c) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 ("March 2007 Form 10-Q")
10(c)	Letter Agreement dated October 12, 2004 between Anthony Guzzi and EMCOR (the "Guzzi Letter Agreement")	Exhibit 10.1 to EMCOR's Report on Form 8-K (Date of Report October 12, 2004)
10(d)	Form of Confidentiality Agreement between Anthony Guzzi and EMCOR	Exhibit C to the Guzzi Letter Agreement
10(e)	Form of Indemnification Agreement between EMCOR and each of its officers and directors	Exhibit F to the Guzzi Letter Agreement

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(f-1)	Severance Agreement (“Guzzi Severance Agreement”) dated October 25, 2004 between Anthony Guzzi and EMCOR	Exhibit D to the Guzzi Letter Agreement
10(f-2)	Amendment to Guzzi Severance Agreement	Exhibit 10(g-2) to the March 2007 Form 10-Q
10(g-1)	Continuity Agreement dated as of June 22, 1998 between R. Kevin Matz and EMCOR (“Matz Continuity Agreement”)	Exhibit 10(f) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998 (“June 1998 Form 10-Q”)
10(g-2)	Amendment dated as of May 4, 1999 to Matz Continuity Agreement	Exhibit 10(m) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999 (“June 1999 Form 10-Q”)
10(g-3)	Amendment dated as of January 1, 2002 to Matz Continuity Agreement	Exhibit 10(o-3) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 (“March 2002 Form 10-Q”)
10(g-4)	Amendment dated as of March 1, 2007 to Matz Continuity Agreement	Exhibit 10(n-4) to the March 2007 Form 10-Q
10(h-1)	Continuity Agreement dated as of June 22, 1998 between Mark A. Pompa and EMCOR (“Pompa Continuity Agreement”)	Exhibit 10(g) to the June 1998 Form 10-Q
10(h-2)	Amendment dated as of May 4, 1999 to Pompa Continuity Agreement	Exhibit 10(n) to the June 1999 Form 10-Q
10(h-3)	Amendment dated as of January 1, 2002 to Pompa Continuity Agreement	Exhibit 10(p-3) to the March 2002 Form 10-Q
10(h-4)	Amendment dated as of March 1, 2007 to Pompa Continuity Agreement	Exhibit 10(o-4) to the March 2007 Form 10-Q
10(i-1)	Change of Control Agreement dated as of October 25, 2004 between Anthony Guzzi (“Guzzi”) and EMCOR (“Guzzi Continuity Agreement”)	Exhibit E to the Guzzi Letter Agreement
10(i-2)	Amendment dated as of March 1, 2007 to Guzzi Continuity Agreement	Exhibit 10(p-2) to the March 2007 Form 10-Q
10(i-3)	Amendment to Continuity Agreements and Severance Agreements with Anthony J. Guzzi, R. Kevin Matz and Mark A. Pompa	Exhibit 10(Q) to EMCOR’s Annual Report on Form 10-K for the year ended December 31, 2008 (“2008 Form 10-K”)
10(j)	Amendment dated as of March 29, 2010 to Severance Agreement with Anthony J. Guzzi, R. Kevin Matz and Mark A. Pompa	Exhibit 10.1 to Form 8-K (Date of Report March 29, 2010) (“March 2010 Form 8-K”)
10(k-1)	Severance Agreement dated as of October 26, 2016 between EMCOR and Maxine L. Mauricio	Exhibit 10(l-1) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 (“September 2016 Form 10-Q”)
10(k-2)	Continuity Agreement dated as of October 26, 2016 between EMCOR and Maxine L. Mauricio (“Mauricio Continuity Agreement”)	Exhibit 10(l-2) to the September 2016 Form 10-Q
10(k-3)	Amendment dated April 10, 2017 to Mauricio Continuity Agreement	Exhibit 10(l-3) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017
10(l-1)	EMCOR Group, Inc. Long-Term Incentive Plan (“LTIP”)	Exhibit 10 to Form 8-K (Date of Report December 15, 2005)
10(l-2)	First Amendment to LTIP and updated Schedule A to LTIP	Exhibit 10(S-2) to 2008 Form 10-K
10(l-3)	Second Amendment to LTIP	Exhibit 10.2 to March 2010 Form 8-K
10(l-4)	Third Amendment to LTIP	Exhibit 10(q-4) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 (“March 2012 Form 10-Q”)

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(l-5)	Fourth Amendment to LTIP	Exhibit 10(l-5) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013
10(l-6)	Form of Certificate Representing Stock Units issued under LTIP	Exhibit 10(T-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2007 ("2007 Form 10-K")
10(l-7)	Fifth Amendment to LTIP	Exhibit 10(l-7) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2015 ("2015 Form 10-K")
10(l-8)	Sixth Amendment to LTIP	Exhibit 10(l-8) to 2015 Form 10-K
10(l-9)	Seventh Amendment to LTIP	Filed herewith
10(m)	Key Executive Incentive Bonus Plan, as amended and restated	Exhibit B to EMCOR's Proxy Statement for its Annual Meeting held June 13, 2013
10(n)	Amended and Restated 2010 Incentive Plan	Exhibit 10.1 to Form 8-K (Date of Report June 11, 2020)
10(o)	EMCOR Group, Inc. Employee Stock Purchase Plan	Exhibit C to EMCOR's Proxy Statement for its Annual Meeting held June 18, 2008
10(p)	Director Award Program Adopted May 13, 2011, as amended and restated December 14, 2011	Exhibit 10(n)(n) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2011
10(q)	Form of Non-LTIP Stock Unit Certificate	Exhibit 10(p)(p) to the March 31, 2012 Form 10-Q
10(r)	Form of Director Restricted Stock Unit Agreement	Exhibit 10(k)(k) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 ("June 2012 Form 10-Q")
10(s)	Director Award Program, as Amended and Restated December 16, 2014	Exhibit 10(z) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2014
10(t)	EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(E)(E) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2012 ("2012 Form 10-K")
10(u)	First Amendment to EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(e)(e) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2013
10(v)	Form of Executive Restricted Stock Unit Agreement	Exhibit 10(F)(F) to 2012 Form 10-K
10(w)	Executive Compensation Recoupment Policy	Exhibit 10(h)(h) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2015
10(x)	Restricted Stock Unit Award Agreement dated June 30, 2017 between EMCOR and Mark A. Pompa	Exhibit 10(f)(f) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017
14	Code of Ethics of EMCOR for Chief Executive Officer and Senior Financial Officers	Exhibit 14 to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2003
21	List of Significant Subsidiaries	Filed herewith
23.1	Consent of Ernst & Young LLP	Filed herewith
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Anthony J. Guzzi, the Chairman, President and Chief Executive Officer	Filed herewith
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Mark A. Pompa, the Executive Vice President and Chief Financial Officer	Filed herewith
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the Chairman, President and Chief Executive Officer	Furnished
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the Executive Vice President and Chief Financial Officer	Furnished
95.1	Information concerning mine safety violations or other regulatory matters	Filed herewith

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
101	The following materials from EMCOR Group, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Equity and (vi) the Notes to Consolidated Financial Statements.	Filed
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)	Filed

Pursuant to Item 601(b)(4)(iii) of Regulation S-K, upon request of the Securities and Exchange Commission, the Registrant hereby undertakes to furnish a copy of any unfiled instrument which defines the rights of holders of long-term debt of the Registrant's subsidiaries.

ITEM 16. FORM 10-K SUMMARY

None.

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Description	Balance at Beginning of Year	Costs and Expenses	Cumulative Effect Adjustment ⁽¹⁾	Deductions ⁽²⁾	Balance at End of Year
Allowance for credit losses					
Year Ended December 31, 2021	\$ 18,031	8,041	—	(2,538)	\$ 23,534
Year Ended December 31, 2020	\$ 14,466	3,269	3,150	(2,854)	\$ 18,031
Year Ended December 31, 2019	\$ 15,361	2,628	—	(3,523)	\$ 14,466

(1) Represents the adjustment to our allowance for credit losses, which was recorded to retained earnings upon the adoption of Accounting Standards Codification Topic 326.

(2) Deductions primarily represent uncollectible balances of accounts receivable written off, net of recoveries.

LIST OF SIGNIFICANT SUBSIDIARIES**JURISDICTION OF INCORPORATION**

Dyn Specialty Contracting, Inc.	Virginia
MES Holdings Corporation	Delaware
EMCOR Construction Services, Inc.	Delaware
EMCOR International, Inc.	Delaware
EMCOR Mechanical/Electrical Services (East), Inc.	Delaware
EMCOR (UK) Limited	England
EMCOR Group (UK) plc	England
EMCOR Facilities Services, Inc.	Ohio
EMCOR-CSI Holding Co.	Delaware
FR X Ohmstede Acquisitions Co.	Delaware
RepeonStrickland, Inc.	Delaware

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-168503) pertaining to the 2010 Incentive Plan of EMCOR Group, Inc.,
- (2) Registration Statement (Form S-8 No. 333-152764) pertaining to the EMCOR Group, Inc. Employee Stock Purchase Plan,
- (3) Registration Statement (Form S-8 No. 333-147015) pertaining to the 2007 Incentive Plan of EMCOR Group, Inc.,
- (4) Registration Statement (Form S-8 No. 333-112940) pertaining to the EMCOR Group, Inc. Stock Option Agreements dated as of January 4, 1999, May 5, 1999, January 3, 2000, January 2, 2001, December 14, 2001, January 2, 2002, June 19, 2002, October 25, 2002, January 2, 2003, February 27, 2003, and January 2, 2004, the EMCOR Group, Inc. 2003 Non-Employee Directors' Stock Option Plan and the EMCOR Group, Inc. 2003 Management Stock Incentive Plan, and
- (5) Registration Statement (Form S-8 No. 333-186926) pertaining to the EMCOR Group, Inc. Voluntary Deferral Plan;

of our reports dated February 24, 2022, with respect to the consolidated financial statements of EMCOR Group, Inc. and subsidiaries, and the effectiveness of internal control over financial reporting of EMCOR Group, Inc. and subsidiaries, included in this Annual Report (Form 10-K) of EMCOR Group, Inc. for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Stamford, Connecticut
February 24, 2022

CERTIFICATION

I, Anthony J. Guzzi, certify that:

1. I have reviewed this annual report on Form 10-K of EMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
Chairman, President and
Chief Executive Officer

CERTIFICATION

I, Mark A. Pompa, certify that:

1. I have reviewed this annual report on Form 10-K of EMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of EMCOR Group, Inc. (the “Company”) on Form 10-K for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Anthony J. Guzzi, Chairman, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2022

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
Chairman, President and
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of EMCOR Group, Inc. (the “Company”) on Form 10-K for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark A. Pompa, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2022

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President and
Chief Financial Officer

Business History Form

Referring to affirmative answer to
Question 13

13. In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

The following is a schedule detailing same for the past five (5) years:

WELSBACH ELECTRIC CORP. (College Point)

<u>Date</u>	<u>Agency</u>	<u>Complaint</u>	<u>Outcome</u>
9/19/19	OSHA	<p>Citation 1 Employees performing maintenance work on traffic lanterns from the bucket truck over an active traffic lane were exposed to struck-by-hazards from vehicles passing underneath.</p> <p>OSHA Citation and Notification Penalty No. 1430177 (the "Citation") was resolved upon the filing on October 2, 2020 of a Joint Notification of Settlement with the Occupational Safety and Health Review Commission under Docket No. 20-0511. A copy is attached. One violation was alleged in the Citation, which violation has been amended to an, other than serious violation of 29 C.F.R. 1926 200(g)(1). Welsbach has bolstered its safety program by (i) retraining all workers in the safe operation of vehicles used in the performance of work, which training shall again be conducted in October 2020, and (ii) augmenting its spot check of nighttime work locations.</p> <p>See Attachment IV (a)</p>	<p>Status: Settled Citation: Other than Serious Conference: 10/2/2020</p>
3/9/2021	NYC HR	Discrimination Paul Tortorice	Status: Pending
3/29/2021	NYC HR	Disability Mario Perez	Status: Settled 6/21/2021

Various	NYC DEP	Citizens Idling Summons See Attachment IV (b)	See Attachment IV (b)
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Except for common ownership by the same parent, there is no direct relationship between Welsbach Electric Corp. of L. I. and Welsbach Electric Corp., including no facilities, or operations.

HERITAGE MECHANICAL SERVICES, INC.

<u>Date</u>	<u>Agency</u>	<u>Complaint</u>	<u>Outcome</u>
03//10/17	NYS Division of Human Rights	Gender Discrimination (Melanie Demicco)	NYS Dismissal, No probable cause 12/14/2017
07/05/19	NYS Division of Human Rights	Discrimination (Dilber Pacheco)	NYS Dismissal, No probable cause 12/19/2019
Various	NYC DEP	Citizens Idling Summons See Attachment IV (b)	See Attachment IV (b)

Except for common ownership by the same parent, there is no direct relationship between Welsbach Electric Corp. of L. I. and Heritage Mechanical Services Inc., including no common management, personnel, facilities, or operations.

Forest Electric Corp.

<u>Date</u>	<u>Agency</u>	<u>Complaint</u>	<u>Outcome</u>
Various	NYC DEP	Citizens Idling Summons See Attachment IV (b)	See Attachment IV (b)

Except for common ownership by the same parent, there is no direct relationship between Welsbach Electric Corp. of L.I. and Forest Electric Corp., including no common management, personnel, facilities, or operations.

Penguin Air Conditioning Corp.

<u>Date</u>	<u>Agency</u>	<u>Complaint</u>	<u>Outcome</u>
Various	NYC DEP	Citizens Idling Summons See Attachment IV (b)	See Attachment IV (b)

Except for common ownership by the same parent, there is no direct relationship between Welsbach Electric Corp. of L.I. and Penguin Air Conditioning Corp., including no common management, personnel, facilities, or

May 13, 2020

Attn: NYCEDC

OSHA Citation & Notification Penalty No. 1430177 was resolved upon the filing on Oct. 2, 2020 of a Joint Settlement with OSHA under Docket No. 20-0511. Violation was amended to other than serious violation of 29 C.F.R 1923 200(g)(1). A fine of \$13,494.00 was issued and paid.

Very truly yours,



Peter A. Ronzetti
Executive VP | COO
Welsbach Electric Corp.

May 13, 2020

Attn: PASSPort

OSHA Citation & Notification Penalty No. 1430177 was resolved upon the filing on Oct. 2, 2020 of a Joint Settlement with OSHA under Docket No. 20-0511. Violation was amended to other than serious violation of 29 C.F.R 1923 200(g)(1). A fine of \$13,494.00 was issued and paid.

Very truly yours,



Peter A. Ronzetti
Executive VP | COO
Welsbach Electric Corp.

the settlement agreement was posted at a location prescribed by Commission Rule 7(g) on the following date: 10/1/2020.

The settlement agreement shall remain posted for fourteen (14) days.

CERTIFICATION OF SERVICE

The parties certify that the executed settlement agreement was served on the authorized employee representative of the affected employees³ in a manner prescribed in Commission Rule 7(c) on the following date: 10/1/2020. Commission Rules 7(f); 100(b)(1)(ii); 100(c).

CERTIFICATION REGARDING PARTY WHO HAS ELECTED PARTY STATUS

The parties certify that any party who has elected party status, under Commission Rule 20, has been afforded an opportunity to provide input on all matters pertaining to the settlement before the settlement agreement was finalized. Commission Rule 100(b)(1)(iii).

CERTIFICATION WHETHER SETTLEMENT INCLUDES PLEADING WITHDRAWAL, AND WHETHER THE WITHDRAWAL IS WITH PREJUDICE

In the following chart, the parties certify the status of any citations, notifications, notices, or petitions, withdrawn in the settlement agreement, and certify whether the withdrawal was with or without prejudice. Each citation item and notification of proposed penalty withdrawn is included, on a separate row, in the chart. Commission Rule 100(b)(1)(iv).

List of Pleadings Withdrawn	Withdrawal — With or Without Prejudice
------------------------------------	---

² In cases where *all* affected employees are represented by an authorized employee representative an alternative certification shall be included in the Joint Notification of Full Settlement, rather than the posting certification stated above. The alternative certification shall comply with Commission Rules 7(f); 100(b)(1)(ii); 100(c) and shall include the date of service.

³ If *all* affected employees are not represented by an authorized employee representative, an additional certification of posting shall be included in the Joint Notification of Full Settlement. Commission Rules 7(g); 100(b)(1)(ii); 100(c). The settlement agreement shall remain posted for fourteen (14) days. The parties certify that the settlement agreement was posted at a location prescribed by Commission Rule 7(g) on the following date: 10/1/2020.

ACKNOWLEDGEMENT THAT THE PARTIES HAVE NOT PROVIDED THE SETTLEMENT AGREEMENT WITH THIS JOINT NOTIFICATION.

The parties confirm that they have not incorporated the settlement agreement in, or append it to, this joint Notification of Settlement. See Commission Rule 100(b)(2).

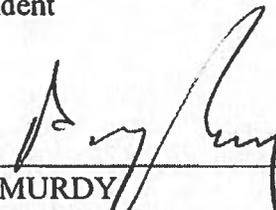
DRAFT ORDER TERMINATING PROCEEDING.

The parties confirm that they have filed, for execution by the Judge, a draft Order Terminating Proceeding, acknowledging that the parties have resolved contested citation items and agreed to terminate the proceeding before the Commission, pursuant to Commission Rules 100(b)(3); 100(c).

Date: 10/1/2020

EXECUTED BY:

WELSBACH ELECTRIC CORP.
Respondent

By: 
PAUL MURDY
Murtagh, Cohen, Byrne, Cutter, Murdy
100 North Park Avenue
Rockville Centre, NY 11570

On behalf of Respondent,
Welsbach Electric Corp., Inc.

KATE S. O'SCANNLAIN
Solicitor of Labor

JEFFREY S. ROGOFF
Regional Solicitor

By: 

NDIDI N. MENKITI
Trial Attorney
U.S. Department of Labor
Office of the Solicitor
201 Varick Street, Room 983
New York, New York 10014
Tel. 646-264-3640
Menkiti.ndidi.n@dol.gov

On behalf of Complainant,
Secretary of Labor.

CERTIFICATE OF SERVICE

I certify that on 10/1/2020, a copy of the **Joint Notification of Full Settlement** was served through the E-File system and by email on the following parties:

Paul Murdy

MCB50@msn.com
Attorney for Respondent,
Welsbach Electric Corp.

/s/ *Ndidi Menkiti*

Ndidi Menkiti
Trial Attorney
Menkiti.ndidi.n@dol.gov

United States Department of Labor
Office of the Regional Solicitor
Attorneys for Complainant

ATTACHMENT IV (b)

CITIZENS SUMMONS BY COMPANY

Company	EIN	Type	Description	Summons #	Occurance	Hearing Date	Status	Date Paid	PASSPORT ENTRY				Section	PASSport Status	Last Update on Summons	Notes
									WEC	CORP.	HMS	FEC				
Forest Electric Corp.	13293169Z	Administrative	Paid Citizens Idling Summons	000663168Z	9/12/2019	9/30/2020	Paid	9/30/2020	Y	Y		S5,2	Final	4/30/2021		
Heritage Mechanical Services, Inc.	112302904	N/A	DISMISSED Citizens Idling Summons	000671515Y	6/20/2019	1/20/2021	Dismissed	1/20/2021	Y	Y		S5,1	Final	4/30/2021		
Heritage Mechanical Services, Inc.	112302904	Administrative	DISMISSED Citizens Idling Summons	00066410L	6/20/2019	5/26/2020	Dismissed	1/20/2021	N	Y		s5,1	Final	5/17/2021		
Heritage Mechanical Services, Inc.	112302904	Administrative	Citizens Idling Summons	000674769H	1/19/2021	5/4/2021	Paid	4/19/2021	N	Y		s5,2	Final	5/17/2021		
Penguin Air Conditioning Corp.	111684185	Administrative	Paid Citizens Idling Summons	000665381B	12/11/2019	5/19/2020	Paid	5/19/2020	Y	Y		S5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000661079H	5/29/2019	10/30/2020	Dismissed	10/30/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000661850M	7/30/2019	10/16/2020	Dismissed	10/16/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000665248H	10/9/2019	9/29/2020	Dismissed	9/29/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000663324L	10/24/2019	10/30/2020	Dismissed	10/30/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000669035M	11/7/2019	10/19/2020	Dismissed	10/30/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000672157H	12/29/2019	2/8/2021	Dismissed	2/8/2021	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000668805P	3/20/2020	10/30/2020	Dismissed	10/30/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000669303M	5/11/2020	10/23/2020	Dismissed	11/9/2020	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000672644P	8/31/2020	3/9/2021	Dismissed	3/9/2021	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	N/A	DISMISSED Citizens Idling Summons	000672744M	9/2/2020	3/9/2021	Dismissed	3/9/2021	Y	Y		s5,1	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000662047h	8/14/2019	3/18/2021	Paid	4/12/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000673702Z	8/14/2019	3/31/2021	Paid	4/12/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000664634Y	10/16/2019	3/15/2021	Paid	4/12/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000672984L	10/19/2019	3/10/2021	Paid	4/12/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000673363N	12/2/2019	3/23/2021	Paid	4/12/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Paid Citizens Idling Summons	000670274H	6/22/2020	12/1/2020	Paid	1/5/2021	Y	Y		s5,2	Final	4/30/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000663415R	3/28/2019	6/22/2021	Dismissed	6/22/2021	Y			s5,1	Final	7/22/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674706Y	5/30/2019	5/3/2021	Paid	7/7/2021	Y			s5,2	Final	7/22/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674674P	7/30/2019	5/3/2021	Paid	7/22/2021	Y			s5,2	Final	7/22/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000671303M	12/18/2019	7/19/2021	Pending		Y			S1,5		7/22/2021	New Hearing Date	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675140P	1/7/2020	5/17/2021	Dismissed	5/20/2021	Y			s5,1	Final	7/22/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000670363J	2/2/2020	10/25/2021	Pending		Y			S1,5		7/22/2021	New Hearing Date	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675147H	2/4/2020	5/17/2021	Dismissed	5/20/2021	Y			s5,1	Final	7/22/2021		
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675146X	2/4/2020	5/17/2021	Dismissed	5/20/2021	Y			s5,1	Final	7/22/2021		

Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000286485L	4/17/2020	7/28/2021	Pending		Y			S1,5		7/22/2021	New Hearing Date
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674573X	10/27/2020	4/28/2021	Paid	4/22/2021	Y	Y		s5,2	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674894R	11/5/2020	5/10/2021	Paid	5/10/2021	Y			s5,2	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674899X	11/9/2020	5/10/2021	Paid	5/10/2021	Y			s5,2	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	00675258K	11/16/2020	8/18/2021	Pending		Y			S1,5		7/22/2021	New Hearing Date
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	0006755533X	12/23/2020	5/10/2021	Dismissed	6/21/2021	Y			s5,1	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000666765x	12/28/2019	6/20/2020	Processing		No	Y		s5,2		4/30/2021	*Not Entered Record Not Found
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000666650X	12/28/2019	6/18/2020	Processing		No	Y		s5,2		4/30/2021	*Not Entered Record Not Found
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000674209J	3/21/2020	4/19/2021	Paid	4/22/2021	Y	Y		s5,2	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000673999Z	8/31/2020	8/9/2021	Processing		Y			S1,5		7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Dismissed Citizens Idling Summons	000674103L	9/22/2020	4/14/2021	Dismissed	4/14/2021	Y	Y		s5,1	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Dismissed Citizens Idling Summons	000674102J	9/22/2020	4/14/2021	Dismissed	4/14/2021	Y	Y		s5,1	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Dismissed Citizens Idling Summons	000604111L	10/2/2020	4/14/2021	Dismissed	4/14/2021	Y	Y		s5,1	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Dismissed Citizens Idling Summons	000674116K	10/7/2020	4/14/2021	Dismissed	4/14/2021	Y	Y		s5,1	Final	4/30/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000676719Z	2/12/2020	7/14/2021	Pending		Y			S1,5		7/22/2021	New Hearing Date
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675523M	11/4/2020	5/5/2021	Paid	5/19/2021	Y			s5,2	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675517X	10/26/2020	5/5/2021	Paid	5/19/2021	Y			s5,2	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	DISMISSED Citizens Idling Summons	000676198M	11/9/2020	5/19/2021	Dismissed	6/16/2021	Y			s5,1	Final	7/22/2021	
Welsbach Electric Corp.	112254226	Administrative	Citizens Idling Summons	000675541X	12/4/2020	5/5/2021	Paid	7/22/2021	Y			s5,2	Final	7/22/2021	



License No. 1222

**Electrician's License
Town of Oyster Bay**

Department of Planning and Development

Town Hall

Oyster Bay, New York 11771

Date Expires 12/31/2023

Date Issued 12/31/2020

IS A DULY LICENSED ELECTRICIAN AND IS AUTHORIZED TO DO ELECTRIC WORK IN THE TOWN OF OYSTER BAY

Name DANIEL T. PIQUETTE

Fee Paid \$ 150.00

Address 7 BOSTON AVENUE MEDFORD, NY 11763

TOBDDPD – Electrician's License – Electrician's Copy

Commissioner
Department of Planning and Development

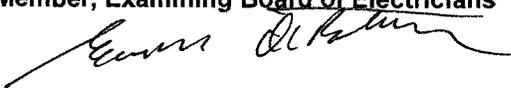
**DEPARTMENT OF BUILDINGS
SAFETY INSPECTION AND ENFORCEMENT
TOWN OF NORTH HEMPSTEAD, MANHASSET, NY
JOHN NIEWENDER, BUILDING COMMISSIONER**

**DANIEL T PIQUETTE
WELSBACH ELECTRIC CORP OF LI
300 NEWTOWN RD
PLAINVIEW, NY 11803**

License Type..... **ToNH Electrician**
License Number. **2326 E**
Date Issued..... **10/31/2019**
Renewal Date.... **12/31/2022**

Having given satisfactory evidence of competency, the above licensee is hereby licensed in accordance with Chapter 2 of the Code of the Town of North Hempstead, subject to the provisions of said code and all laws or ordinances applicable thereto.



Member, Examining Board of Electricians


TRI-TOWN

**TOWN OF HEMPSTEAD
DEPARTMENT OF
BUILDINGS**

FREDERICK A. JAWITZ
ACTING COMMISSIONER

One Washington Street, Hempstead, NY 11550
Office: 516.489.5000 Fax: 516.483.1573

Master Electrician's License

License No. 2744 Account No. 9987 Date of Issue 12/18/2020
Renewal No. T070

PIQUETTE, DANIEL
WELSBACH ELECT. CORP. OF L.I.
300 NEWTOWN ROAD
PLAINVIEW, NY 11803

TRI-TOWN

Renewal License Expiration Date 12/31/2023 Fee Paid \$135.00

Having given satisfactory evidence of competency, is hereby licensed as a Master Electrician in accordance with the Electrical Code of the Town of Hempstead subject to the said provisions of said Electrical Code and Laws and Ordinances applicable thereto.

ACTING Commissioner of Buildings

Chairman Electrician's Examining Board

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Welsbach Electric Corp. of L.I.

Address: 300 Newtown Rd

City: Plainview State/Province/Territory: NY Zip/Postal Code: 11803

Country: US

2. Entity's Vendor Identification Number: 11-2354251

3. Type of Business: Public Corp (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded WEC LI Officer Affidavit, 2022.pdf

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

See Emcor Group, Inc. 2021 Annual Report (10k) for Executive Officers (Page 20) and Board of Directors (Page 98) of Emcor Group, Inc.

1 File(s) uploaded EME_AR_10K_2021.pdf

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

See Emcor Group, Inc. 2021 Annual Report (Attached under Question 5) page 100 for significant subsidiaries. Welsbach Electric Corp. of L.I. is part of EMCOR Construction Services and is the only Emcor subsidiary that will be taking part in the performance of any Nassau County contracts.

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

None.

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

None.

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

None.

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
Timothy P. Miller [TPMILLER@EMCOR.NET]

Dated: 03/28/2022 01:22:38 PM

Title: President / C.E.O.

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.



Welsbach

Electric of Long Island

An EMCOR Company

Welsbach Electric Corp. of L.I.

300 Newtown Road

Plainview, NY 11803

516.454.0023 • Fax: 516.454.0202

**CERTIFICATE OF
SECRETARY
OF
WELSBACH ELECTRIC CORP. OF L.I.**

The undersigned, Michele Valenti, certifies that she is the duly elected, qualified and acting Secretary of Welsbach Electric Corp. of L. I., a corporation duly organized and existing under the laws of the State of New York, and that as such Secretary, she is the keeper of the corporate records and seal of said Corporation.

The undersigned further certifies:

1. Attached hereto as Exhibit A is a true, correct and complete copy of a resolution adopted upon written consent of the sole director of this Corporation dated as January 15, 2022; and said resolution does not contravene any provision of the certificate of incorporation or by-laws of said Corporation, and has not been rescinded or modified in any respect but still remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 15th day of January, 2022.



Michele Valenti, Secretary



EXHIBIT A

RESOLVED, that the following persons be, and hereby are, elected to hold the office of the Corporation set forth opposite his/her name until such time as his/her successor is elected and shall have qualified:

Timothy P. Miller	President and Chief Executive Officer
Peter A. Ronzetti	Executive Vice President and Chief Operating Officer
Michele Valenti	Vice President of Finance, Controller, Secretary and Treasurer
Daniel Piquette	Vice President of Industrial/Commercial and Asst. Secretary
Darlene Kummer	Vice President of Transportation

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2021

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 1-8267

EMCOR Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

11-2125338

(I.R.S. Employer Identification Number)

301 Merritt Seven

Norwalk, Connecticut

06851-1092

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (203) 849-7800

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol

Name of each exchange on which registered

Common Stock

EME

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes
No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$4,566,000,000 as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price on the New York Stock Exchange reported for such date. Shares of common stock held by each executive officer and director and by each person who owns 5% or more of the outstanding common stock (based solely on filings of such 5% holders) have been excluded from such calculation as such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

Number of shares of the registrant's common stock outstanding as of the close of business on February 18, 2022: 52,666,149 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Part III. Portions of the definitive proxy statement for the 2022 Annual Meeting of Stockholders, which document will be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year to which this Form 10-K relates, are incorporated by reference into Items 10 through 14 of Part III of this Form 10-K.

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They generally contain words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “may,” “can,” “could,” “might,” variations of such wording and other words or phrases of similar meaning. Forward-looking statements in this report include discussions of our future operating or financial performance and other forward-looking commentary regarding aspects of our business, including market share growth, gross profit, remaining performance obligations, project mix, projects with varying profit margins, selling, general and administrative expenses, and trends in our business, and other characterizations of future events or circumstances, such as the effects of the COVID-19 pandemic. Each forward-looking statement included in this report is subject to risks and uncertainties, including those identified below in the “Risk Factors” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section, and other sections of this report. Such risks and uncertainties could cause actual results to differ materially from those that might be anticipated from, or projected or implied by, our forward-looking statements. The forward-looking statements contained in this report speak only as of the filing date of this report. We undertake no obligation to update any forward-looking statements. However, any further disclosures made on related subjects in our subsequent reports filed with the Securities and Exchange Commission (the “SEC”) should be consulted. We caution investors not to place undue reliance on forward-looking statements, due to their inherent uncertainty.

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PART I

ITEM 1. BUSINESS

References to the “Company,” “EMCOR,” “we,” “us,” “our” and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

Overview

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. In 2021, we had revenues of approximately \$9.9 billion. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries, which specialize principally in providing construction services relating to electrical and mechanical systems in all types of facilities and in providing various services relating to the operation, maintenance, and management of those facilities. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services
- United States mechanical construction and facilities services
- United States building services
- United States industrial services
- United Kingdom building services

Our operating subsidiaries offer comprehensive and diverse solutions on a broad scale and have a solid base of customers, including many long-standing relationships. We provide construction services and building services directly to corporations, municipalities and federal and state governmental entities, owners/developers, and tenants of buildings. We also provide our construction services indirectly by acting as a subcontractor to general contractors, systems suppliers, construction managers, developers, property managers, and other subcontractors. Our industrial services are generally provided directly to refineries and petrochemical plants.

Our revenues are derived from many different customers in numerous industries, which have operations in several different geographical areas. Of our 2021 revenues, approximately 95% were generated in the United States and approximately 5% were generated in foreign countries, substantially all in the United Kingdom. In 2021, approximately 60% of our revenues were derived from our construction operations, approximately 30% of our revenues were derived from our building services operations and approximately 10% of our revenues were derived from our industrial services operations. For additional information regarding our revenues, see Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

We believe that our range of service offerings, technical capability, and strong project execution, along with our safety culture and financial resources, differentiate us from our competition and position us to benefit from future capital spending by our customers. Our strategies of expanding our portfolio of service offerings for existing and potential customers and increasing or enhancing our presence in core end markets, along with our commitment to industry-leading best practices and technological and training capabilities, place us in the position to capitalize on opportunities and trends in the industries we serve and expand our operations to select new markets.

Increasingly, our services are focused on delivering sustainable energy solutions, enhancements in energy efficiency, reductions in waste and emissions, and improvements in the safety and comfort of our customers’ facilities.

The broad scope of our operations is more particularly described below. For detailed segment financial information refer to Note 18 - Segment Information of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

Our executive offices are located at 301 Merritt Seven, Norwalk, Connecticut 06851-1092, and our telephone number at those offices is (203) 849-7800.

Operations

United States electrical and mechanical construction and facilities services operations:

Our electrical and mechanical construction services primarily involve the design, integration, installation, start-up, operation and maintenance, and provision of services relating to:

- Systems for electrical power transmission, distribution, and generation, including power cables, conduits, distribution panels, transformers, generators, uninterruptible power supply systems, and related switch gear and controls;
- Sustainable energy solutions such as solar, photovoltaic, and wind, as well as the installation of electric vehicle charging stations;
- Premises electrical and lighting systems, including fixtures and controls;
- Process instrumentation in the refining, chemical processing, and food processing industries;
- Low-voltage systems, such as fire alarm, security, and process control systems;
- Voice and data communications, including fiber optic and low voltage cabling, distributed antenna systems, audiovisual systems, and wireless access points;
- Roadway and transit lighting and signaling and fiber optic lines;
- Heating, ventilation, air conditioning, and refrigeration, including both traditional mechanical systems as well as geothermal solutions;
- Clean-room process ventilation systems;
- Fire protection and suppression systems;
- Plumbing, process and high-purity piping systems;
- Controls and filtration systems;
- Water and wastewater treatment systems;
- Central plant heating and cooling systems;
- Crane and rigging services;
- Millwright services; and
- Steel fabrication, erection, and welding services.

The electrical and mechanical construction services industry has experienced growth due principally to the increased content, complexity, and sophistication of electrical and mechanical systems resulting, in part, from growth in digital processing, cloud computing, and data storage. In addition, facilities of all types require extensive electrical distribution systems, sophisticated power supplies, networks of low-voltage and fiber-optic communications cabling, and various mechanical, plumbing, and fire protection and suppression systems. Moreover, the need for substantial environmental controls within a building, due to the heightened need to maintain extensive computer systems at optimal temperatures, and the demand for increased energy efficiency, have continued to expand opportunities for our electrical and mechanical services businesses. The demand for these services is typically driven by non-residential construction and renovation activity.

Our electrical and mechanical construction services generally fall into one of three categories: (a) large installation projects, with contracts often in the multi-million dollar range, that involve: (i) the construction of manufacturing facilities, data centers, warehousing and distribution facilities, and commercial buildings, (ii) institutional and public works projects, or (iii) the fit-out of large blocks of space within commercial buildings, (b) large and medium sized capital and maintenance projects for commercial, manufacturing, pharmaceutical, healthcare, oil and gas, industrial, and petrochemical clients and (c) smaller installation projects, of a short duration, typically involving fit-out, renovation, and retrofit work. We also install and maintain lighting for streets, highways, bridges and tunnels, traffic signals, computerized traffic control systems, and signal and communication systems for mass transit systems in several metropolitan areas. In addition, we manufacture and install sheet metal air handling systems for both our own mechanical construction operations and for unrelated mechanical contractors. We also maintain welding and pipe fabrication shops in support of some of our mechanical operations.

Our United States electrical and mechanical construction operations accounted for about 60% of our 2021 total revenues. Of such revenues, approximately 34% were generated by our electrical construction operations and approximately 66% were generated by our mechanical construction operations.

We provide electrical and mechanical construction services for both large and small installation and renovation projects. Our largest projects have included those: (a) for commercial purposes (such as office buildings, data centers, convention centers, sports stadiums, and shopping malls); (b) for manufacturing and industrial purposes (such as pharmaceutical plants, steel, pulp and paper mills, food processing, automotive and semiconductor manufacturing facilities, power generation (including sustainable energy solutions such as solar and wind), oil and gas refineries, and chemical processing plants); (c) for transportation purposes (such as highways, bridges, airports, and transit systems); (d) for institutional purposes (such as educational and correctional facilities and research laboratories); (e) for healthcare purposes; (f) for water and wastewater purposes; and (g) for hospitality purposes (such as resorts, hotels, and gaming facilities). Our largest projects, which typically range in size from \$10 million up to and occasionally exceeding \$200 million, represented approximately 38% of our electrical and mechanical construction services revenues in 2021. Depending on the size and complexity of these projects, they may span multiple years and typically require significant technical and management skills and the financial strength to obtain performance bonds, which are often a condition to bidding for and winning these projects.

Our projects of less than \$10 million accounted for approximately 62% of our electrical and mechanical construction services revenues in 2021. These projects are typically completed in less than one year. They usually involve electrical and mechanical construction services when an end-user or owner undertakes construction or modification of a facility to accommodate a specific use, upgrade or replace aging systems, or increase energy efficiency. These projects frequently require electrical and mechanical systems to meet special needs such as critical systems power supply, fire protection systems, special environmental controls and high-purity air systems, sophisticated electrical and mechanical systems for data centers, new production lines in manufacturing plants, and office arrangements in existing office buildings. They are not usually dependent upon the new construction market. Demand for these projects and types of services is often prompted by the expiration of leases, changes in technology, the demand for more energy efficient systems, or changes in the customer's plant or office layout in the normal course of a customer's business.

United States and United Kingdom building services operations:

Our building services, which are provided to a wide range of facilities, including commercial, utility, institutional, and governmental facilities, include:

- Mobile mechanical maintenance and services for mechanical, electrical, plumbing, fire safety, and building automation systems;
- Small modification and retrofit projects;
- Program development, management, and maintenance for energy systems, including LEED Certified solutions to assist our customers in reducing energy consumption;
- Technical consulting and diagnostic services;
- Services aimed at improving indoor air quality;
- Installation and support for building systems;
- Commercial and government site-based operations and maintenance;
- Facility management, maintenance, and services;
- Floor care and janitorial services, including enhanced cleaning and sanitization services;
- Landscaping, lot sweeping, and snow removal;
- Other building services, including reception, security, and catering services;
- Vendor management and call center services;
- Military base operations support services;
- Infrastructure and building projects for federal, state, and local governmental agencies; and
- Outage services to utilities and industrial plants.

While not all of the above services are performed in both countries, we provide building services throughout the United States and United Kingdom. Our building services operations have built upon our traditional electrical and mechanical construction operations and our client relationships to expand the scope of services being offered and to develop packages of services for customers on a local, regional, and national basis.

Our building services operations, which generated approximately 30% of our 2021 total revenues, provide services to owners, operators, tenants, and managers of all types of facilities both on a contractual basis for a specified period of time and on an individual task order basis. Of our building services revenues for 2021, approximately 83% were generated in the United States and approximately 17% were generated in the United Kingdom.

Demand for our building services is often driven by customers' decisions to focus on their core competencies, customers' programs to reduce costs, the increasing technical complexity of their facilities, including their mechanical, electrical, building automation, voice and data, and other systems, and the need for increased reliability, energy efficiency, and air filtration and sanitization. These trends have led to outsourcing and privatization programs whereby customers in both the private and public sectors seek to contract out those activities that support, but are not directly associated with, the customer's core business. Clients of our building services business include federal and state governments, institutional organizations, utilities, independent power producers, healthcare providers, and major corporations engaged in information technology, telecommunications, pharmaceuticals, financial services, and manufacturing, as well as large retailers and other businesses with geographically dispersed locations.

We provide building services at a number of prominent buildings, including those that house the Secret Service, the Federal Deposit Insurance Corporation, the Government Accountability Office, and the Department of Health and Human Services, as well as other government facilities, including the NASA Jet Propulsion Laboratory. We also provide building services, as a prime contractor or a subcontractor, to U.S. military bases, including the Defense Intelligence Agency located on Joint Base Anacostia-Bolling, and are involved in a joint venture providing building services to NASA's Armstrong Flight Research Center. The agreements pursuant to which this division provides services to the federal government are frequently for a base period and a number of option years exercisable at the sole discretion of the government, are often subject to renegotiation by the government in terms of scope of services, and are subject to termination by the government prior to the expiration of the applicable term.

United States industrial services operations:

Our industrial services are primarily provided to customers within the oil, gas, and petrochemical industries and consist of:

- Refinery turnaround planning and engineering services;
- Specialty welding services;
- Overhaul and maintenance of critical process units in refineries and petrochemical plants;
- Specialty technical services for refineries and petrochemical plants;
- Instrumentation and electrical services for energy infrastructure;
- On-site repairs, maintenance, and service of heat exchangers, towers, vessels, and piping;
- Design, manufacturing, repair, and hydro blast cleaning of shell and tube heat exchangers and related equipment; and
- Renewable energy services, including large scale solar projects, energy storage, and waste to biogas solutions.

Our industrial services business, which generated approximately 10% of our 2021 total revenues, is a recognized leader in the refinery turnaround market and has a presence in the petrochemical market. Demand for these services is highly dependent on the strength of the oil and gas and related industrial markets. Our industrial services operations perform turnaround and maintenance services for critical units of refineries and petrochemical plants to upgrade, repair, and maintain them. Such services include: (a) engineering and planning in advance of complex refinery turnarounds; (b) overhaul and maintenance of critical process units (including hydrofluoric alkylation units, fluid catalytic cracking units, coking units, heaters, heat exchangers, and related mechanical equipment) during refinery and petrochemical plant shut downs; (c) replacement and new construction capital projects for refineries and petrochemical plants; (d) instrumentation and electrical services for energy infrastructure; and (e) other related specialty services such as: (i) welding (including pipe welding) and fabrication; (ii) heater, boiler, and reformer repairs and replacements; converter repair and revamps; and vessel, exchanger and tower services; (iii) tower and column repairs in refineries and petrochemical plants; (iv) installation and repair of refractory materials for critical units in process plants to protect equipment from corrosion, erosion, and extreme temperatures; and (v) acid-proofing services to protect critical components at refineries from chemical exposure. These businesses also design and manufacture highly engineered shell and tube heat exchangers and provide maintenance, repair, and cleaning services for heat exchangers both in the field and at our own shops, including tube and shell repairs, bundle repairs, and extraction services.

In addition to these traditional industrial services, we are working to leverage our expertise in industrial services to construct and maintain carbon capture technologies and renewable energy projects.

Competition

Across our operations, we compete with national, regional, and local companies, many of which are small, owner-operated entities that carry on their businesses in a limited geographic area, as well as with certain foreign companies.

The electrical and mechanical construction services industry is highly fragmented and our competition includes thousands of small companies across the United States. In addition, there are a number of larger public companies focused on providing either electrical and/or mechanical construction services, such as APi Group Corporation, Comfort Systems USA, Inc., Dycom Industries, Inc., IES Holdings, Inc., MasTec, Inc., MYR Group, Inc., and Tutor Perini Corporation. A majority of our revenues are derived from projects requiring competitive bids; however, an invitation to bid is often conditioned upon prior experience, technical capability, and financial strength. Competitive factors in the electrical and mechanical construction services business include: (a) the availability of qualified and/or licensed personnel; (b) reputation for integrity and quality; (c) safety record; (d) cost structure and the ability to control project costs; (e) relationships with customers; (f) price; (g) geographic diversity; (h) experience in specialized markets; (i) the ability to obtain surety bonding; and (j) adequate working capital or access to bank credit. We believe our financial position, operating results, access to bank credit and surety bonding, technical expertise, and safety record, among other factors, give us an advantage over many of our competitors. However, relatively few barriers exist to prevent entry into the electrical and mechanical construction services industry.

While the building services industry is also highly fragmented, with most competitors operating in a specific geographic region, a number of large corporations such as Amentum Services, Inc., IAP Worldwide Services, Inc., Fluor Corporation, J&J Worldwide Services, Cushman & Wakefield plc, CBRE Group, Inc., Jones Lang LaSalle Incorporated, Sodexo, Inc., Aramark, and ABM Industries Incorporated are engaged in this field, as are large original equipment manufacturers such as Carrier Global Corporation and Trane Technologies plc. In addition, we compete with several regional firms serving all or portions of the markets we target, such as BrightView Holdings, Inc., Kellermeier Bergensons Services, LLC, SMS Assist, LLC, and Ferandino & Son, Inc. Our principal competitors in the United Kingdom include CBRE Group, Inc., Bouygues UK Ltd., ISS UK Ltd., and Mitie Group plc. The key competitive factors in the building services industry include: (a) availability of qualified personnel and managers; (b) service quality and technical expertise; (c) cost structure and the ability to control project costs; (d) price; and (e) geographic diversity. Due to our size, our technical capability and management experience, and our geographic presence, we believe our building services operations are in a strong competitive position. However, there are relatively few barriers to entry into the building services industry.

The market for providing industrial services includes large national providers, as well as numerous regional companies. In the manufacture of heat exchangers, we compete with both U.S. and foreign manufacturers. Competitors within this industry include JVIC Catalyst Services, Universal Plant Services, Inc., Turner Industries Group, LLC, Team, Inc., Cust-O-Fab, Inc., Dunn Heat Exchangers, Inc., and Wyatt Field Service Company, LLC, among others. The key competitive factors in the industrial services market consist of: (a) availability of skilled workforce; (b) technical expertise; (c) service, quality, and ability to respond quickly; (d) price; and (e) safety record. Due to our technical capabilities, skilled workforce, and safety record, we believe that we are in a strong competitive position in the industrial services markets that we serve. Because of the complex tasks associated with turnaround projects, and the precision and cost investment required in manufacturing heat exchangers, we believe that the barriers to entry in this business are significant.

Human Capital

At December 31, 2021, we employed approximately 34,000 people, approximately 30,000 of whom were located within the United States and approximately 4,000 of whom were located in the United Kingdom.

Based on the most recent information available from our latest filing with the U.S. Equal Employment Opportunity Commission, the gender demographic of our U.S. employees was 90% male and 10% female. Additionally, based on such information, our U.S. employees had the following race and ethnicity demographics:

Employee Demographic	% of Total
White	70 %
Hispanic / Latinx	17 %
Black / African American	8 %
Asian	2 %
Multiracial, Native American, Native Hawaiian, and Pacific Islander	3 %

Approximately 60% of our employees are represented by various unions pursuant to nearly 450 collective bargaining agreements between our individual subsidiaries or trade associations and local unions, as well as two collective bargaining agreements that are national or regional in scope. We believe that our relations with our labor unions are generally positive.

Our ability to execute complex projects for our customers, and to perform all of our services with the excellence that makes us an industry leader, depends on our success in attracting and retaining skilled labor in a competitive market. We therefore strive to be and remain an employer of choice for the most talented employees in each of the industries and markets in which we operate. This begins with offering competitive employee compensation and benefits packages, specifically designed to meet the unique needs of each individual in our organization, which include:

- *Health and Welfare Plans:* All full-time employees who do not participate in union plans are offered a range of choices among medical, dental and vision plans, life, accident, dependent and disability insurance, and pre-tax health spending accounts that include employer contributions.
- *Retirement Savings:* We help provide our employees with financial security by offering a 401(k) Savings Plan and an Employee Stock Purchase Plan, both of which include company matching contributions.
- *Degree Assistance:* Eligible employees may apply for reimbursement for job-related courses or courses taken as part of a curriculum for a business or job-related degree at an accredited institution.
- *Employee Assistance Program:* Through our Employee Assistance Program, we offer our employees, and their dependents or household members, access to services and counseling on a variety of personal, professional, legal, and financial matters, at no cost.

Key to our attraction and retention of employees is our commitment to our EMCOR Values and our focus on employee safety and diversity, equity, and inclusion. Our Board of Directors and senior leadership engage in oversight and management, respectively, of our significant human capital initiatives. Our Board of Directors is regularly briefed and provides input on key human capital initiatives and metrics.

Commitment to Core Values

We are committed to our EMCOR Values of Mission First: *Integrity, Discipline, and Transparency* and People Always: *Mutual Respect and Trust, Commitment to Safety, and Teamwork*. We constantly strive to ensure these values are reflected in how we do business every day, from our corporate culture and “tone at the top,” established by our Board of Directors and management team, to the critical work performed by all of our people at every level throughout our organization. We reinforce our EMCOR Values through many ongoing initiatives. Our EMCOR Values are embodied in our policies and procedures, including our Code of Business Ethics and Conduct. We also regularly provide training on these values, both at time of hire and on an ongoing, periodic basis. In addition, to develop and reinforce our values company-wide, and empower our leaders to perform at the highest levels, senior leaders are invited to our Leadership for Results course at Babson College and our Leading with Character program at the Thayer Leadership Development Group at West Point.

Workplace Safety

We believe that our focus on employee safety and well-being is reflected in our results. In a year in which our employees worked a total of approximately 76 million hours, the second highest in our history, the Company’s Total Recordable Incident Rate in 2021 was approximately 1.06, which was more than 60% lower than the most recently available industry average of 2.70. This represents our thirteenth consecutive year with a Total Recordable Incident Rate which was less than half the industry average. Our position as an industry leader in safety begins with a strong culture of care and vigilance embodied in our EMCOR Values and is supported by a comprehensive suite of training, resources, and analytics. These include: (a) our signature Be There for Life! Zero Injuries Program and Be Vigilant! Campaign, (b) incident and injury prevention planning, including in-person and online training tools, adoption of new technology, and best practice guides available through our company intranet, (c) enterprise level reporting and analysis of leading and lagging indicators, (d) a 24-hour incident reporting hotline, and (e) a company-wide program to share and champion best safety practices across our range of businesses.

Diversity, Equity, and Inclusion

We believe that a diverse workforce is important to the long-term success of our business. We actively seek to increase the diversity of our workforce and to practice our commitment to diversity and inclusion in hiring, development, and training. This extends to our senior leadership and Board of Directors, where we require that any slate of candidates for a named executive officer or other corporate officer position, and new management-supported director nominees, include individuals from underrepresented demographics. We have also designed and implemented policies and practices to promote a workplace free from discrimination, including our Affirmative Action and Equal Opportunity Policy, the implementation, effectiveness, and reporting requirements of which are overseen by our designated Affirmative Action Officer.

We strive to help all our employees realize their full potential with an equal opportunity to succeed. We work to unlock the full potential of all employees at every level through: (a) the EMCOR Manager Certificate Program, which promotes supervisory management skills, (b) our Degree Assistance Program, which provides tuition reimbursement for continuing education, and (c) the resources available to all employees on our online learning platform, the EMCOR Learning Center, which includes thousands of on-demand training courses on a wide range of topics.

In furtherance of our EMCOR Values, all EMCOR employees are required to complete diversity & inclusion training, and our current and future leaders undergo implicit association and unconscious bias training.

Available Information

We file annual, quarterly and current reports, proxy statements and other information with the SEC. These filings are available to the public over the internet at the SEC's website at <http://www.sec.gov>.

Our Internet address is www.emcorgroup.com. We make available, free of charge, through www.emcorgroup.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. References to our website addressed in this report are provided as a convenience and do not constitute, and should not be viewed as, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

Our Board of Directors has an audit committee, a compensation and personnel committee, and a nominating and corporate governance committee. Each of these committees has a formal charter. We also have Corporate Governance Guidelines, which include guidelines regarding related party transactions, a Code of Ethics for our Chief Executive Officer and Senior Financial Officers, and a Code of Ethics and Business Conduct for Directors, Officers, and Employees. Copies of these charters, guidelines and codes, and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers, or directors, can be obtained free of charge on our website, www.emcorgroup.com.

You may request a copy of the foregoing filings (excluding exhibits), charters, guidelines and codes, and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers, or directors, at no cost by writing to us at EMCOR Group, Inc., 301 Merritt Seven, Norwalk, CT 06851-1092, Attention: Corporate Secretary, or by telephoning us at (203) 849-7800.

ITEM 1A. RISK FACTORS

Our business is subject to a variety of risks, including the risks described below as well as adverse business and market conditions and risks associated with our operations. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not known to us or not described below, which we have not determined to be material, may also impair our business operations. You should carefully consider the risks described below, together with all other information in this report, including information contained in the “Business,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Quantitative and Qualitative Disclosures about Market Risk” sections. If any of the following risks actually occur, our business, financial position, results of operations, and/or cash flows could be adversely affected, and we may not be able to achieve our goals. Such events may cause actual results to differ materially from expected and historical results, and the trading price of our common stock could decline.

Economic and Strategic Risk Factors

Economic downturns have historically led to reductions in demand for our services. Negative conditions in the credit markets, including rising interest rates, may adversely impact our ability to operate our business. The level of demand from our clients for our services has been, in the past, adversely impacted by slowdowns in the industries we service, as well as in the economy in general. When the general level of economic activity has been reduced from historical levels, certain of our ultimate customers have delayed or canceled projects or capital spending, especially with respect to more profitable private sector work, and such slowdowns adversely affect our ability to grow, reducing our revenues and profitability. A number of economic factors, including financing conditions, the prices of commodities, and energy prices, have, in the past, adversely affected the industries we serve and our ultimate customers’ ability or willingness to fund expenditures. General concerns about the fundamental soundness of domestic and foreign economies may also cause ultimate customers to defer projects even if they have credit available to them. A prolonged stagnation or weakening in financial and macroeconomic conditions, including as a result of the COVID-19 pandemic, could therefore have a significant adverse effect on our revenues and profitability.

Many of our clients depend on the availability of credit to help finance their capital and maintenance projects. At times, tightened availability of credit or increased interest rates have negatively impacted the ability of existing and prospective ultimate customers to fund projects we might otherwise perform, particularly those in the more profitable private sector. As a result, our ultimate customers may defer such projects for an unknown, and perhaps lengthy, period. Any such deferrals would inhibit our growth and would adversely affect our results of operations.

In a weak economic environment, particularly in a period of restrictive credit markets, we may experience greater difficulties in collecting payments from, and negotiating change orders and/or claims with, our clients due to, among other reasons, a diminution in our ultimate customers’ access to the credit markets or potential bankruptcies. If clients delay in paying or fail to pay a significant amount of our outstanding receivables, or we fail to successfully negotiate a significant portion of our change orders and/or claims with clients, it could have an adverse effect on our liquidity, results of operations, and financial position.

Our business has traditionally lagged recoveries in the general economy and, therefore, after an economic downturn we may not recover as quickly as the economy at large.

Certain of our businesses, including those within our United States industrial services segment, are exposed to risks associated with the oil and gas industry. These risks, which are not subject to our control, include volatility in the price and production of crude oil, the development of and consumer demand for alternative energy sources, including as a result of a change in consumer preference, or in an effort to reduce greenhouse gas emissions or combat climate change, and legislative and regulatory actions. Specifically, lower prices and production volumes, or perceived risk thereof, typically results in the curtailment or deferral of spending by our customers. In addition, macroeconomic conditions, influenced by a variety of events and circumstances, can also affect customer demand for our services within these businesses. For example, during 2020, the escalation of geopolitical tensions between the Organization of Petroleum Exporting Countries (OPEC) and Russia contributed to a significant drop in the price of crude oil, impacting customers in the energy sector and the demand for certain of our services. Continued unfavorable conditions within these markets, including the impact of sustained lower demand for refined products as a result of the COVID-19 pandemic, could further negatively impact our financial position, results of operations, and cash flows.

Our business is vulnerable to the cyclical nature of the markets in which our clients operate and is dependent upon the timing and funding of new awards. We provide construction and maintenance services to ultimate customers operating in a number of markets which have been, and we expect will continue to be, cyclical and subject to significant fluctuations due to a variety of factors beyond our control, including economic conditions and changes in client spending.

Regardless of economic or market conditions, investment decisions by our ultimate customers may vary by location or as a result of other factors like the availability of labor, relative construction costs, or competitive conditions in their industries. Because we are dependent on the timing and funding of new awards, we are therefore vulnerable to changes in our clients' markets and investment decisions.

Our business may be adversely affected by significant reductions in government spending or delays or disruptions in the government appropriations process. Some of our businesses derive a significant portion of their revenues from federal, state, and local governmental agencies. As a result, reduced or delayed spending by the federal government and/or state and local governments may have a material and adverse impact on our business, financial condition, results of operations, and cash flows. Significant reductions in spending aimed at reducing federal, state, or local budget deficits, the absence of a bipartisan agreement on the federal government's budget, renewed focus on budget deficits following recent increases in government spending in response to the COVID-19 pandemic, personnel reductions, the closure of government facilities and offices, or other changes in budget priorities could result in the deferral, delay, disruption, or cancellation of projects or contracts that we might otherwise have sought to perform. These potential events could impact the level of demand for our services and our ability to execute, complete, and receive compensation for our current contracts, or bid for and enter into new contracts with governmental agencies.

An increase in the prices or availability of certain materials used in our businesses, including as a result of inflation, and protectionist trade measures could adversely affect our businesses. We are exposed to market risk of increases in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of approximately 12,000 vehicles. While we believe we can increase our prices to adjust for some price increases in commodities, there can be no assurance that price increases of commodities, if they were to occur, would be recoverable. Additionally, our fixed price contracts generally do not allow us to adjust our prices and, as a result, increases in material or fuel costs could reduce our profitability with respect to projects in progress. For example, during 2021, certain of our operations experienced declines in gross profit and gross profit margin as a result of supply chain disruptions, including long lead times for certain materials and equipment, as well as an escalation in material and fuel prices, and such supply chain disruptions and price escalations have continued into 2022. Fluctuations in energy prices as well as in commodity prices of materials, whether resulting from fluctuations in market supply or demand, or geopolitical conditions, including an increase in trade protection measures such as tariffs and the disruption, modification, or cancellation of multilateral trade agreements, may adversely affect our customers and as a result cause them to curtail the use of our services.

Business and Operational Risk Factors

The loss of one or a few customers could have an adverse effect on us. Although we have long-standing relationships with many of our significant customers, our customers may unilaterally reduce, fail to renew, or terminate their contracts with us at any time. A loss of business from a significant customer, or a number of significant customers, could have a material adverse effect on our business, financial position, and results of operations.

Our industry is highly competitive. Our industry is served by numerous small, owner-operated private companies, a few public companies, and several large regional companies. In addition, relatively few barriers exist to prevent entry into most of the industries in which we operate. As a result, any organization that has adequate financial resources, and access to technical expertise, may become a competitor. Competition in our industry depends on numerous factors, including price. Certain of our competitors have lower overhead cost structures and, therefore, are able to provide their services at lower rates than we are currently able to provide. Our project and service work is frequently awarded through a competitive bidding process, which is standard in our industry. We are constantly competing for contracts based on pricing, schedule, and technical expertise. Competition can place downward pressure on our contract prices and profit margins, which may make it difficult to win the project or force us to accept contractual terms and conditions that are less favorable to us, thereby increasing the risk that, among other things, we may not realize profit margins at the same rates we have seen in the past or may become responsible for costs or other liabilities we have not incurred in the past.

In addition, some of our competitors have greater resources than we do. We cannot be certain that our competitors will not develop the expertise, experience, and resources necessary to provide services that are superior in quality, and lower in price, to ours. Similarly, we cannot be certain that we will be able to maintain or enhance our competitive position within our industries, or maintain a customer base at current levels. We may also face competition from the in-house service organizations of existing or prospective customers, particularly with respect to building services. Many of our customers employ personnel who perform some of the same types of building services that we do. We cannot be certain that our existing or prospective customers will continue to outsource building services in the future. If we are unable to compete effectively, we may experience a loss of market share, reduced profitability, or both, which if significant, could have a material adverse effect on our business, financial condition, and results of operations. Refer also to "Business - Competition" in Item 1 of this Form 10-K.

We are a decentralized company, which presents certain risks. While we believe decentralization has enhanced our growth and enabled us to remain responsive to opportunities and to our customers' needs, it necessarily places significant control and decision-making powers in the hands of local management. This presents various risks, including the risk that we may be slower or less able to identify or react to external market conditions or problems affecting a key business than we would in a more centralized environment.

Our business may be affected by weather conditions. Adverse weather conditions, particularly during the winter season, could impact our construction services operations as those conditions affect our ability to perform efficient work outdoors in certain regions of the United States, adversely affecting the revenues and profitability of those operations. However, the absence of snow in certain regions of the United States during the winter could also cause us to experience reduced revenues and profitability in our United States building services segment, as a portion of their revenues is generated from snow removal contracts. In addition, cooler than normal temperatures during the summer months could reduce the need for our services, particularly in our businesses that install or service air conditioning units, and result in reduced revenues and profitability during the period that such unseasonal weather conditions persist.

Our business may be affected by the work environment. We perform our work under a variety of conditions, including but not limited to, difficult terrain, difficult site conditions, and busy urban centers where delivery of materials and availability of labor may be impacted, clean-room environments where strict procedures must be followed, and sites which contain harsh or hazardous conditions, especially at chemical plants, refineries and other process facilities. Performing work under these conditions can increase the cost of such work or negatively affect efficiency and, therefore, our profitability.

Our dependence upon fixed price contracts could adversely affect our business. We currently generate, and expect to continue to generate, a significant portion of our revenues from fixed price contracts. We must estimate the total costs of a particular project to bid for fixed price contracts. Cost and scheduling estimates are based on a number of assumptions, including those about future economic conditions, commodity and other materials pricing, cost and availability of labor, equipment, and materials, and supply chain efficiency, among other factors. The actual cost of labor and materials, however, may vary from the costs we originally estimated. These variations, along with other risks, inherent in the execution of projects subject to fixed price contracts, may cause actual gross profits from projects to differ from those we originally estimated and could result in reduced profitability or losses on projects. Depending upon the size of a particular project, variations from the estimated contract costs can have a significant impact on our operating results for any fiscal quarter or year.

We could incur additional costs to cover certain guarantees or other contractual requirements. In some instances, we guarantee completion of a project by a specific date or price, cost savings, achievement of certain performance standards, or performance of our services at a certain standard of quality. For other arrangements, including those within our government services operations, the terms of our contracts may include provisions which require us to achieve certain minority participation or small or disadvantaged business "set-aside" goals. Such requirements have become more frequent in recent years and we expect them to be increasingly prevalent, and more strictly enforced in the near future, especially under the current administration in Washington, D.C. If we subsequently fail to meet such guarantees, or comply with such provisions, we may be held responsible for costs resulting from such failures, including payment of penalties or liquidated or other damages. To the extent that any of these events occur, the total costs of a project could exceed the original estimated costs, and we would experience reduced profits or, in some cases, a loss.

Many of our contracts, especially our building and industrial services contracts, may be canceled or delayed on short notice, and we may be unsuccessful in replacing such contracts if they are canceled or as they are completed or expire. We could experience a decrease in revenues, net income, and liquidity if any of the following occur:

- customers cancel a significant number of contracts or delay services or projects;
- we fail to win a significant number of our existing contracts upon re-bid;
- we complete a significant number of non-recurring projects and cannot replace them with similar projects; or
- we fail to reduce operating and overhead expenses consistent with any decrease in our revenues.

Uncertainty surrounding the timing of contract awards, or project cancellations or delays, can also present difficulties in matching our workforce size with contract needs. In some cases, in anticipation of contract awards, we maintain and bear the cost of a ready workforce size that is larger than necessary under our existing contract portfolio. When a contract is canceled or delayed, or an anticipated contract award is not received, it may result in lower profitability as a result of labor underutilization, or additional costs resulting from reductions in staff, which could have a material adverse effect on our business, financial condition, and results of operations.

We may be unsuccessful in generating internal growth. Our ability to generate internal growth will be affected by, among other factors, our ability to:

- expand the range of services offered to customers to address their evolving needs;
- attract new customers; and
- retain and/or increase the number of projects performed for existing customers.

In addition, existing and potential customers may reduce the number or size of projects available to us because of general economic conditions or due to their inability to obtain capital or pay for services we provide. Many of the factors affecting our ability to generate internal growth are beyond our control, and we cannot be certain that our strategies will be successful or that we will be able to generate cash flow sufficient to fund our operations and to support internal growth. If we are not successful, we may not be able to achieve internal growth, expand operations, or grow our business.

Fluctuating foreign currency exchange rates impact our financial results. We have operations in the United Kingdom, which in 2021 accounted for approximately 5% of our revenues. Our reported financial position and results of operations are exposed to the effects (both positive and negative) that fluctuating exchange rates have on the process of translating the financial statements of our United Kingdom operations, which are denominated in local currencies, into the U.S. dollar. The factors that impact exchange rate fluctuation, including macroeconomic and geopolitical conditions, are outside the control of the Company.

As part of our risk management strategy, we are effectively self-insured against certain potential liabilities. Although we maintain insurance policies with respect to a broad range of risks, including automobile liability, general liability, workers' compensation, and employee-related healthcare, these policies do not cover all possible claims and certain of the policies are subject to large deductibles and retentions. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Accordingly, we are effectively self-insured for a substantial number of actual and potential claims. Further, if any of our insurance carriers defaulted on its obligations to provide insurance coverage by reason of its insolvency or for other reasons, our exposure to claims would increase and our profits would be adversely affected. Our estimates for unpaid claims and expenses are based on known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary. The determination of such estimated liabilities and their appropriateness are reviewed and updated at least quarterly. However, these liabilities are difficult to assess and estimate due to many relevant factors, the effects of which are often unknown, including the severity of an injury or damage, the determination of liability in proportion to other parties, the timeliness of reported claims, the effectiveness of our risk management and safety programs, and the terms and conditions of our insurance policies. Our accruals are based upon known facts, historical trends and our reasonable estimate of future expenses, and we believe such accruals are adequate. However, unknown or changing trends, risks, or circumstances, such as increases in claims, a weakening economy, increases in medical costs, changes in case law or legislation, or changes in the nature of the work we perform, could render our current estimates and accruals inadequate. In such case, adjustments may be required to increase our insurance liabilities in the period that the experience becomes known.

External market conditions, including catastrophic losses resulting from an increase in severe weather events and the prolonged pandemic, among other factors, have resulted in an insurance market that is characterized by higher premiums, diminished capacity, and more conservative underwriting. If these market conditions persist, insurance carriers may be unwilling, in the future, to provide our current levels of coverage without a significant increase in insurance premiums, self-insured retention limits, or collateral requirements to cover our obligations to them. Increased collateral requirements may be in the form of additional letters of credit, surety bonds, and/or cash, and an increase in collateral requirements could significantly reduce our liquidity. If insurance premiums or self-insured retention limits increase, and/or if insurance claims are higher than our estimates, our profitability could be adversely affected.

Failure to provide our services in accordance with professional standards or contractual requirements could expose us to significant monetary damages. Our services often involve professional judgments regarding the planning, design, development, construction, or operations and management of complex facilities. Although we have adopted a range of insurance, risk management, and risk avoidance programs designed to reduce potential liabilities, a catastrophic event at one of our project sites or a completed project, resulting from the services we have performed, could result in significant professional or product liability and warranty or other claims against us, as well as reputational harm. These liabilities could exceed our insurance limits or impact our ability to obtain insurance in the future. Further, even where insurance coverage applies, such policies have limits and deductibles or retentions, which could result in our assumption of exposure for certain amounts with respect to any claim filed against us. In addition, customers or subcontractors who have agreed to indemnify us against any such liabilities or losses might refuse or be unable to uphold their obligations to us. An uninsured claim, either in part or in whole, as well as any claim covered by insurance but subject to a policy limit, high deductible and/or retention, could have a material adverse effect on our business, financial condition, and results of operations.

Our business strategy relies, in part, on acquisitions to sustain our growth, and these transactions present certain risk and uncertainties. As part of our growth strategy, we acquire companies that expand, complement, and/or diversify our businesses. However, there is no guarantee that we will be successful in identifying targets that meet our requirements for acquisition. We may also face increased competition from other potential acquirers who may have greater financial resources available to them or who may be in a position to offer more favorable terms to the target company. This competition may limit our ability to pursue acquisition opportunities. Additionally, circumstances beyond our control, such as the COVID-19 pandemic, has and may continue to hinder our ability to pursue and complete acquisitions. Further, realization of the anticipated benefits of an acquisition, and avoiding or mitigating the potential risks associated with an acquisition, will depend, among other things, upon our ability to: (a) effectively conduct due diligence to identify potential problems at companies we propose to acquire, (b) recognize incompatibilities or other obstacles to the successful integration of the acquired business with our other operations, and (c) gain greater efficiencies and scale that will translate into reduced costs or anticipated synergies in a timely manner. However, there can be no assurance that an acquisition we may make in the future will provide the benefits anticipated when entering into the transaction. Acquisitions we have completed, and future acquisitions we may make, could expose us to operational challenges and risks, including the diversion of management's attention from our existing businesses, the failure to retain key personnel or customers of the acquired business, and the assumption of unknown liabilities of the acquired business for which there are inadequate reserves. Our ability to sustain our growth and maintain our competitive position may be affected by our ability to identify and acquire desirable businesses and successfully integrate any acquired business.

In addition, while we work to rapidly implement or maintain internal controls and financial reporting standards and procedures in the businesses we acquire, including integrating such acquired businesses into our consolidated financial reporting systems and controls, we cannot be certain that such implementation and integration will be quickly and effectively completed. Our internal control processes and procedures with respect to such businesses may need to be adjusted or enhanced in order to ensure that such businesses are in compliance with the regulations we are subject to as well as our internal policies and standards. Such changes could result in significant additional costs to us and could require the diversion of management's attention from our existing businesses or other strategic initiatives.

Amounts included in our remaining performance obligations may not result in actual revenues or translate into profits. Many contracts are subject to cancellation or suspension on short notice at the discretion of the client, and the contracts in our remaining performance obligations are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contract. The risk of contracts included in our remaining performance obligations being delayed or canceled generally increases during economic slowdowns or in response to significant fluctuations in commodity prices. Accordingly, there is no assurance that revenue from remaining performance obligations will actually be realized. If our remaining performance obligations fail to materialize, we could experience a decline in profitability, which could result in a deterioration of our financial position and liquidity.

We recognize revenue for the majority of our construction projects based on estimates; therefore, variations of actual results from our assumptions may reduce our profitability. As discussed in further detail in the "Critical Accounting Policies and Estimates" section included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, revenue is recognized as performance obligations are satisfied and earnings or losses recognized on individual contracts are based on estimates of contract price, costs, and profitability. Changes in estimates of transaction prices as well as estimated costs are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. Consequently, changes in estimates, or variations of actual results from previous projections, on an unusually large project, or on a number of average size projects, could be material and could have an adverse impact on our financial condition, results of operations, and cash flows.

We are increasingly dependent on sophisticated information technology systems; our business and results of operations are subject to adverse impacts due to disruption, failure, and cybersecurity breaches of these systems. We and our customers and third-party providers rely on information technology systems, hardware, and software to run critical accounting, project management, and financial information systems. We rely upon security measures, products, and services to attempt to secure our information technology systems and the confidential, proprietary, and sensitive information they contain. However, our information technology systems and those of our customers and third-party providers are subject to cyber-attacks, hacking, other intrusions, failure, and damage, which result in operational disruption and could result in information misappropriation, such as theft of intellectual property or inappropriate disclosure of customer data or confidential or personal information. On February 15, 2020, for example, we became aware of an infiltration and encryption of portions of our information technology network. This attack temporarily disrupted our use of the impacted systems. While we maintain insurance coverage for these types of incidents, such policies may not completely provide coverage for, or completely offset, the costs associated with such incidents. We are continuously developing and enhancing our controls, processes, and practices designed to protect our systems, computers, software, data, and networks from attack, damage, or unauthorized access. This continued development and enhancement requires us to expend additional resources. However, we may not anticipate or combat all types of potential disruptions or breaches. If any of these events were to occur, we could be required to expend additional capital and other

resources, including costs to deploy additional personnel and protection technologies, train employees, and engage third-party experts and consultants. Additionally, as many of our employees use our information technology systems to collaborate with colleagues in different geographic locations and periodically access our systems remotely, we may be subject to heightened security risks, including the risks of cyber-attacks.

The proper functioning of our information technology systems could also be impacted by other causes and circumstances beyond our control, including malware embedded in third party applications, the decision by software vendors to discontinue further development, integration, or long-term software maintenance support for our information systems, or hardware interruption, damage or disruption as a result of power outages, natural disasters, or computer network failures. Key business processes are subject to interruption to the extent that our information technology systems, or those of our customers or third-party providers, are disabled for a long period of time. Such operational disruptions and/or misappropriation or inappropriate disclosure of information could result in lost or reduced revenues, negative publicity, loss of customers or contracts, or business delays that could have a material adverse effect on our business, financial position, and results of operations.

In addition, new or evolving laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation ("GDPR"), the California Consumer Privacy Act, and other emerging U.S. state privacy laws pose increasingly complex compliance challenges and could potentially elevate our compliance costs. Any failure to comply with these laws and regulations could result in significant penalties and legal liability, and increased costs in this area could have a negative impact on our financial condition, results of operations, and cash flow.

Financial Risk Factors

A material portion of our business depends on our ability to provide surety bonds. We may be unable to compete for or work on certain projects if we are not able to obtain the necessary surety bonds. Our construction contracts frequently require that we obtain from surety companies, and provide to our customers, payment and performance bonds as a condition to the award of such contracts. Such surety bonds secure our payment and performance obligations. Under standard terms in the surety market, surety companies issue bonds on a project-by-project basis and can decline to issue bonds at any time or require the posting of collateral as a condition to issuing any bonds. Current or future market conditions, as well as changes in our sureties' assessment of our or their own operating and financial risk, could cause our surety companies to decline to issue, or substantially reduce the amount of, bonds for our work or to increase our bonding costs. These actions can be taken on short notice. If our surety companies were to limit or eliminate our access to bonding, our alternatives would include seeking bonding capacity from other surety companies, increasing business with clients that do not require bonds, or posting other forms of collateral for project performance, such as letters of credit, parent company guarantees, or cash. We may be unable to secure these alternatives in a timely manner, on acceptable terms, or at all. Accordingly, if we were to experience an interruption or reduction in the availability of bonding, we may be unable to compete for or work on certain projects. Increases in the costs of surety bonds could also adversely impact our profitability.

Our results of operations could be adversely affected as a result of goodwill and identifiable intangible asset impairments. When we acquire a business, we record an asset called "goodwill" equal to the excess of the consideration transferred over the fair value of the net tangible and identifiable intangible assets acquired. Goodwill and indefinite-lived intangible assets are not amortized but instead evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of the asset may be impaired. Impairment may result from a deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or changes in the manner in which acquired assets are used. While no impairment was recognized during 2021, we recorded \$232.8 million of impairment charges during 2020 as a result of certain of these conditions. Significant judgment is required in determining whether goodwill and indefinite-lived intangible assets are impaired and assumptions utilized for purposes of our impairment testing may change in future periods. There can be no assurance that our estimates and assumptions will prove to be accurate predictions of the future. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations. For further discussion of our impairment testing, see Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets included in Item 8. Financial Statements and Supplementary Data.

Failure to maintain effective internal controls over financial reporting could adversely impact our ability to timely and accurately report financial results and comply with our reporting obligations, which could materially affect our business. Regardless of how internal financial reporting control systems are designed, implemented, and enforced, they cannot ensure with absolute certainty that our policy objectives will be met in every instance. Because of the inherent limitations of all such systems, our internal controls over financial reporting may not always prevent or detect misstatements. Failure to maintain effective internal control over financial reporting could adversely affect our ability to accurately and timely report financial results, to prevent or detect fraud, or to comply with the requirements of the SEC or the Sarbanes-Oxley Act of 2002, which could necessitate a restatement of our financial statements, and/or result in an investigation, or the imposition of sanctions, by

regulators. Such failure could additionally expose us to litigation and/or reputational harm, impair our ability to obtain financing, or increase the cost of any financing we obtain. All of these impacts could adversely affect the price of our common stock and our business overall.

Legal and Regulatory Risk Factors

We are subject to many laws and regulations in the jurisdictions in which we operate; changes to such laws and regulations may result in additional costs and impact our operations. We are committed to upholding the highest standards of corporate governance and legal and ethical compliance. We are subject to many laws and regulations, including various laws and regulations that apply specifically to U.S. public companies. These include the rules and regulations of the New York Stock Exchange, the Sarbanes-Oxley Act of 2002, and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as the various regulations, standards, and guidance put forth by the SEC and other governmental agencies to implement and enforce those laws. New laws, rules, and regulations, or changes to existing laws or their interpretations, could create added legal and compliance costs and uncertainty for us. In addition, our United Kingdom operations are subject to laws and regulations that are in some cases different from those of the United States, including labor laws such as the U.K. Modern Slavery Act and laws and regulations governing information collected from employees, customers and others, specifically the GDPR. These laws and regulations could increase the cost and complexity of doing business in the U.K. and negatively impact our financial position and results of operations. Our efforts to comply with evolving laws, regulations, and reporting standards may increase our general and administrative expenses, divert management time and attention, or limit our operational flexibility, all of which could have a material adverse effect on our business, financial position, and results of operations. Many of our non-public competitors and competitors operating solely in the U.S. are not subject to these laws and regulations and the related costs and expenses of compliance.

Our failure to comply with environmental laws could result in significant liabilities. Our operations are subject to various laws, including environmental laws and regulations, among which many deal with the handling and disposal of asbestos and other hazardous or universal waste products, polychlorinated biphenyls (PCBs), per- and polyfluoroalkyl substances (PFAS) and fuel storage. A violation of such laws and regulations, or a release of such substances, has and may in the future, expose us to various claims, including claims by third parties, as well as remediation costs and fines. We own and lease many facilities. Some of these facilities contain hazardous materials, such as lead and asbestos, and fuel storage tanks, which may be above or below ground. If these tanks were to leak, we could be responsible for the cost of remediation as well as potential fines. As a part of our business, we also install fuel storage tanks and are sometimes required to deal with hazardous materials, all of which may expose us to environmental liability.

In addition, new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, exposure to or the release of materials subsequently identified as hazardous by a governmental authority, the imposition of new clean-up requirements, or the exposure of our employees or other contractors to hazardous materials, could require us to incur significant costs or become the basis for new or increased liabilities that could harm our financial position and results of operations, although certain of these costs might be covered by insurance. In some instances, we have obtained indemnification or covenants from third parties (including predecessors or lessors) for such clean-up and other obligations and liabilities, and we believe such indemnities and covenants are adequate to cover such obligations and liabilities. However, such third-party indemnities or covenants may not cover all of such costs or third-party indemnitors may default on their obligations. In addition, unanticipated obligations or liabilities, or future obligations and liabilities, may have a material adverse effect on our business operations. Further, we cannot be certain that we will be able to identify, or be indemnified for, all potential environmental liabilities relating to any acquired business.

Adverse resolution of litigation and other legal and regulatory proceedings may harm our operating results or financial position. From time to time, we are a party to lawsuits and other legal proceedings, most of which occur in the normal course of our business. These actions and proceedings may involve actual or threatened claims by customers, employees, or other third parties for, among other things, compensation or indemnification for alleged personal injury, workers' compensation, employment discrimination, breach of contract, property damage, or other general commercial disputes. In addition, we have been, and may in the future be, subject to class action claims alleging violations of the Fair Labor Standards Act and state wage and hour laws. Litigation and other legal proceedings can be expensive, lengthy, and disruptive to normal business operations, and their outcome is inherently uncertain and difficult to accurately predict or quantify. In addition, plaintiffs in many types of actions may seek punitive damages, civil penalties, consequential damages or other losses, or injunctive or declaratory relief. An unfavorable resolution of a particular legal proceeding or claim, whether through a settlement, mediation, court judgment, or otherwise, could have a material adverse effect on our business, operating results, financial position, and cash flows, and in some cases, on our reputation or our ability to obtain projects from customers, including governmental entities. See Item 3. Legal Proceedings and Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, for more information regarding any significant legal proceedings in which we are involved.

We may incur liabilities or suffer negative financial impacts relating to occupational, health, and safety matters. Our operations are subject to extensive laws and regulations relating to the maintenance of safe conditions in the workplace. While we have invested, and will continue to invest, substantial resources in our robust occupational, health, and safety programs, many of our businesses involve a high degree of operational risk, and there can be no assurance that we will avoid significant exposure. These hazards can cause personal injury and loss of life, severe damage to or destruction of property and equipment, and other consequential damages, and could lead to suspension of operations, large damage claims, an increase in employee turnover, and, in extreme cases, criminal liability. Any of the foregoing could result in financial losses or reputational harm, which could have a material adverse impact on our business, financial condition, and results of operations.

Our customers seek to minimize safety risks on their sites and they frequently review the safety records of contractors during the bidding process. Accordingly, if our safety record were to substantially deteriorate over time, we might become ineligible to bid on certain work and our customers could cancel our contracts and/or not award us future business.

Our failure to comply with anti-bribery statutes such as the Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010 could result in fines, criminal penalties, and other sanctions that could have an adverse effect on our business. The U.S. Foreign Corrupt Practices Act (the “FCPA”), the U.K. Bribery Act of 2010 (the “Bribery Act”), and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business or securing an improper advantage. From time to time, we conduct a limited amount of business in a few countries that have experienced corruption to some degree. Our policies require that all of our employees, subcontractors, vendors, and agents worldwide must comply with applicable anti-bribery laws. However, there is no assurance that our policies and procedures to ensure compliance with the FCPA, the Bribery Act, and similar anti-bribery laws, will eliminate the possibility of liability under such laws for actions taken by our employees, agents, and intermediaries. If we were found to be liable for violations under the FCPA, the Bribery Act, or similar anti-bribery laws, either due to our own acts or omissions or due to the acts or omissions of others, we could incur substantial legal expenses and suffer civil and criminal penalties or other sanctions, which could have a material adverse effect on our business, financial condition, and results of operations, as well as our reputation. In addition, whether or not such expenses, penalties, or sanctions are actually incurred, the actual or alleged violation of the FCPA, the Bribery Act, or any similar anti-bribery laws could have a negative impact on our reputation.

Opportunities within the government sector could lead to increased governmental rules and regulations applicable to us. As a government contractor, we are subject to a number of procurement rules and other regulations, any deemed violation of which could lead to fines or penalties or a loss of business. Government agencies routinely audit and investigate government contractors. Government agencies may review a contractor’s performance under its contracts, cost structure, and compliance with applicable laws, regulations, and standards. If government agencies determine through these audits or reviews that costs are improperly allocated to specific contracts, they will not reimburse the contractor for those costs or may require the contractor to refund previously reimbursed costs. If government agencies determine that we are engaged in improper activity, we may be subject to civil and criminal penalties and debarment or suspension from doing business with the government. Government contracts are also subject to renegotiation of terms by the government, termination by the government prior to the expiration of the term, and non-renewal by the government.

Human Capital and Labor Risk Factors

The departure of key personnel could disrupt our business. We depend on the continued efforts of our senior management. The loss of key personnel, including a temporary loss as a result of illness, or the inability to hire and retain qualified executives, could negatively impact our ability to manage our business.

We may be unable to attract and retain skilled employees. Our ability to grow and maintain productivity and profitability will be limited by our ability to employ, train, and retain skilled personnel necessary to meet our requirements. We are dependent upon a workforce of approximately 34,000 employees, including our project managers and field supervisors who are responsible for managing our projects, and there can be no assurance that any individual will continue in his or her capacity for any particular period of time. The loss of such qualified employees could have an adverse effect on our business. We cannot be certain that we will be able to maintain an adequate skilled labor force necessary to operate efficiently and to support our business strategy or that labor expenses will not increase as a result of a shortage in the supply of these skilled personnel. The availability and costs to adequately train and maintain a skilled labor force could be impacted by factors we cannot control, including changes in the unemployment rate, prevailing wage rates, benefit costs, the COVID-19 pandemic, and competition for labor from our competitors in the markets we serve. Labor shortages or increased labor costs could impair our ability to provide services to our customers, maintain our business, or grow our revenues.

Our unionized workforce could adversely affect our operations; our participation in many multiemployer pension plans could result in substantial liabilities being incurred. As of December 31, 2021, approximately 60% of our employees were covered by collective bargaining agreements. Although the majority of these agreements prohibit strikes and work stoppages, we cannot be certain that strikes or work stoppages will not occur in the future. However, only two of our collective bargaining agreements are national or regional in scope, and not all of our collective bargaining agreements expire at the same time. Strikes or work stoppages likely would adversely impact our relationships with our customers and could have a material adverse effect on our financial position, results of operations, and cash flows. We contribute to approximately 200 multiemployer pension plans. Under the Employee Retirement Income Security Act, we may become liable for our proportionate share of a multiemployer pension plan's underfunding if we cease to contribute to that pension plan or significantly reduce the employees in respect of which we make contributions to that pension plan. Our potential liability for unfunded liabilities could be material. See Note 14 - Retirement Plans of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for additional information regarding multiemployer pension plans.

Risk Factors Related to the Ownership of our Common Stock

Certain provisions of our corporate governance documents could make an acquisition of us, or a substantial interest in us, more difficult. The following provisions of our certificate of incorporation and by-laws, as currently in effect, as well as Delaware law, could discourage potential proposals to acquire us, delay or prevent a change in control of us, or limit the price that investors may be willing to pay in the future for shares of our common stock:

- our certificate of incorporation permits our board of directors to issue “blank check” preferred stock and to adopt amendments to our by-laws;
- our by-laws contain restrictions regarding the right of our stockholders to nominate directors and to submit proposals to be considered at stockholder meetings;
- our certificate of incorporation and by-laws limit the right of our stockholders to call a special meeting of stockholders and to act by written consent; and
- we are subject to provisions of Delaware law, which prohibit us from engaging in any of a broad range of business transactions with an “interested stockholder” for a period of three years following the date such stockholder becomes classified as an interested stockholder.

Climate Change Related Risk Factors

Climate change and related environmental issues could have a material adverse impact on our business, financial condition, and results of operations. Climate change related events, such as increased frequency and severity of storms, floods, wildfires, droughts, hurricanes, freezing conditions, and other natural disasters, may have an adverse impact on our business, financial condition, and results of operation. While we have invested in programs to mitigate the risk that these events disrupt our ability to serve our customers, these events pose inherent risks regardless of where or how we conduct our business. For example, severe weather or a catastrophic natural disaster could negatively impact our and our customers' offices, facilities, or job sites. Access to clean water and reliable energy where we conduct our business is also critical to our operations. Accordingly, severe weather events or natural disasters have the potential to disrupt our and our customers' businesses and may cause us to experience work stoppages, project delays or cancellations, financial losses, and additional costs to resume operations, in addition to potential adverse impacts on the health and safety of our workforce and their ability to work or travel. Further, climate change poses direct physical risks to infrastructure across the industry sectors we serve, both as a result of chronic environmental changes, such as rising sea levels and temperatures, as well as acute events, such as hurricanes, droughts, and wildfires. These impacts and the costs to address them could result in fewer resources for strategic investment by our customers, which could result in a decrease in demand for certain of our services. Any of these events could have a material adverse impact on our business, financial condition, and results of operations.

We may be affected by market or regulatory responses to climate change. Growing public concern about climate change has resulted in the increased focus of local, state, regional, national, and international regulatory bodies on greenhouse gas (“GHG”) emissions and climate change issues. Legislation to regulate GHG emissions has periodically been introduced in the U.S. Congress, and there has been a wide-ranging policy debate, both in the United States and internationally, regarding the impact of these gases and possible means for their regulation. The Biden Administration has made climate change and the limitation of GHG emissions one of its primary objectives, including a renewed commitment to the Paris Agreement and a Nationally Determined Contribution under such agreement that aims to reduce U.S. emissions by 50-52%, compared to a 2005 baseline, by 2030. Several states and geographic regions in the United States have also adopted legislation and regulations to reduce emissions of GHGs. Additional legislation or regulation by these states and regions, the federal government, and/or any international agreements to which the United States may become a party, that control or limit GHG emissions, or otherwise seek to address climate change, could result in increased compliance costs for us and our clients or have other impacts on our

clients, including those who are involved in the exploration, production, or refining of fossil fuels, or who emit greenhouse gases through the combustion of fossil fuels, or through the mining, manufacture, utilization, or production of materials or goods. Such policy changes could increase the costs of projects for our clients or, in some cases, prevent a project from going forward, thereby potentially reducing the need for certain of our services, which could in turn have a material adverse effect on our business, financial condition, and results of operations. However, policy changes and climate legislation could also increase the overall demand for our services as our clients and partners work to comply with these policies, such as by decarbonizing their industries, transitioning from fossil fuels to renewable energy sources, reducing their energy consumption, and developing integrated and sustainable solutions, all of which could have a positive impact on our business. We cannot predict with certainty what the effect of such regulation may be on us or our customers.

We may be unable to achieve our current or future climate commitments and targets, or we may incur substantial costs in meeting such targets. To help mitigate the impacts of GHG emissions on climate change, EMCOR has established initial carbon-based fuel consumption and GHG emission reduction targets. However, achievement of such targets, or similar targets that may be established in the future, is subject to risks and uncertainties, many of which are outside of our control. These risks and uncertainties include, but are not limited to: (a) our ability to execute our operational strategies and achieve our goals within the currently projected costs and the expected timeframes; (b) the availability and cost of alternative fuels, electrical charging infrastructure, off-site renewable energy, and other materials and components; (c) unforeseen design, operational, and technological difficulties; (d) the outcome of research efforts and future technology developments, including the availability of alternate or more fuel efficient vehicles for our fleet, including hybrid or electric vehicles; (e) regulations and requirements that restrict or prohibit our ability to impose requirements on third party contractors; (f) an acquisition of or merger with another company that has not adopted similar targets and goals or whose progress towards reaching its goals is not as advanced as ours; and (g) the pace of recovery from the COVID-19 pandemic, which could result in fluctuations in our fuel consumption and GHG emissions in a given period. In addition, we could be required to expend amounts in future periods as we continue to work towards achieving our targets, which may have a material effect on our business, financial condition, results of operations, or liquidity.

General Risk Factors

Public health emergencies, epidemics, or pandemics, including the COVID-19 pandemic, impact our business. The impact of the global spread of COVID-19, and the responses of governments, businesses, and individuals to combat it, have caused significant volatility, uncertainty, and economic disruption, which has and may continue to adversely impact our operations and those of our customers. Government authorities in the United States and United Kingdom have at various times recommended or imposed certain social distancing, quarantine, and isolation measures to varying degrees, with many such measures impacting large portions of the population. These measures have included limitations on travel and mandatory cessation of certain business activities, some of which have been relaxed or adjusted and others of which remain in effect. Both the outbreak and the containment and mitigation measures resulted in serious adverse impacts on the economy, some of which are ongoing, and both the severity and duration of those impacts and the extent and pace of economic recovery continue to remain uncertain.

Our workforce and ongoing operations have been, are, and may continue to be impacted by the COVID-19 pandemic. For example, we have experienced disruptions that have impacted our ability to perform our work. Such impacts include, but are not limited to, access restrictions and temporary job site shutdowns, reduced labor efficiency resulting from adherence to physical distancing, quarantine, and isolation requirements due to illness or exposure to an infected person, and other enhanced safety protocols mandated at the majority of our worksite locations, and the deferral of maintenance and service projects by our customers. The extent to which the COVID-19 pandemic will continue to impact our business and results of operations remains highly uncertain and will be affected by a number of factors. These include the duration and extent of the pandemic; the potential for additional variants of the virus that are more virulent, contagious, or against which current vaccines are less effective; the duration and extent of containment and mitigation measures that continue to be imposed or recommended; the widespread adoption and long-term efficacy of vaccines and the availability and efficacy of other treatments; the cost and/or disruption of testing that may be required of our employees either by customer requirements or government mandates; the continued impact of the pandemic on economic activity, including on planning and funding for construction projects and our customers' demand for our services; supply chain disruptions or commodity price volatility that could impact our and our vendors' ability to source the supplies and materials needed to operate our business; our ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of our customers to pay us for services rendered; any further closures of our and our customers' offices and facilities; and any additional project delays or shutdowns. Customers may also continue to delay decision-making, delay planned work, or seek to terminate existing agreements. Any of these events could have a material adverse effect on our business, financial condition, results of operations, and/or stock price.

While the emergency temporary standard requiring employers with 100 or more employees to ensure their workforce is fully vaccinated or to require unvaccinated workers to produce a negative test result on at least a weekly basis (the “ETS”) has been withdrawn by the Occupational Safety and Health Administration (“OSHA”), and Executive Order 14042 mandating vaccination for all federal contractors and subcontractors is currently stayed by the courts, it is unclear whether OSHA or another federal agency will mandate vaccination and/or testing. Costs related to any mandatory testing, including both the costs of tests and the costs to compensate employees for the time to undergo such testing, will likely represent a substantial expense to the Company, which could have a material adverse effect on our business, financial condition, and/or results of operations to the extent that a significant portion of our workforce does not choose to become vaccinated.

On January 10, 2022, the Biden Administration announced that it would require insurance companies and group health plans to cover the cost of at-home COVID-19 tests. As we are self-insured for employee-related healthcare claims, this new requirement could result in an additional expense for the Company. It is not possible at this time to determine the impact of this new requirement or whether it could have a material adverse effect on our financial condition and/or results of operations.

Additionally, as many of our employees periodically access our systems remotely, in part as a result of the COVID-19 pandemic and the potential business or facility closures or reduced or staggered in-person attendance, we may be subject to heightened security risks, including the risks of cyber-attacks. Further, if any of our key personnel are unable to perform their duties for a period of time, including as a result of illness, our results of operations could be adversely affected.

Our business, financial condition, results of operations, and/or stock price could also be adversely affected in the future by the effects of another epidemic or pandemic, or otherwise by the spread of contagious diseases other than COVID-19. Such effects could be similar to those of the COVID-19 pandemic or could impact our business in different ways, including supply-chain disruptions, restrictions on our ability to provide services in the regions affected, adverse impacts on our workforce, and impacts to the U.S. or global economy or financial markets generally.

Terrorist attacks and other catastrophic events could disrupt our operations and services. Acts of terrorism and other catastrophic events, and the actions taken by the United States and/or other governments or actors in response to such events, may result in property damage, supply disruption, or economic dislocations throughout the country. Although it is not possible to predict such events or their consequences, these events could increase the volatility of our financial results due to decreased demand and unforeseen costs, with partial or no corresponding compensation from clients.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We own a limited number of facilities; however, the majority of our operations are conducted at leased properties, which are located throughout the United States and United Kingdom. These properties consist of offices, warehouses, fabrication shops, and maintenance and cleaning facilities. We do not consider any one of these locations to be material to our operations. We believe that our facilities are well maintained, in good operating condition, and suitable for the purposes for which they are used.

See Note 16 - Leases of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for additional information regarding our leases. We utilize substantially all of our leased or owned facilities and believe there will be no difficulty either in negotiating the renewal of such leases as they expire or in finding alternative space, if necessary.

ITEM 3. LEGAL PROCEEDINGS

We are involved in several legal proceedings in which damages and claims have been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. We record a loss contingency if the potential loss from a proceeding or claim is considered probable and the amount can be reasonably estimated or a range of loss can be determined. We provide disclosure when it is reasonably possible that a loss will be incurred in excess of any recorded provision. Significant judgment is required in these determinations. As additional information becomes available, we reassess prior determinations and may change our estimates. Additional claims may be asserted against us in the future. Litigation is subject to many uncertainties, and the outcome of litigation is not predictable with assurance. It is possible that a litigation matter for which liabilities have not been recorded could be decided unfavorably to us, and that any such unfavorable decision could have a material adverse effect on our financial position, results of operations, or liquidity.

ITEM 4. MINE SAFETY DISCLOSURES

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95.1 to this Form 10-K.

EXECUTIVE OFFICERS OF THE REGISTRANT

Anthony J. Guzzi, Age 57; President since October 2004, Chief Executive Officer since January 2011 and Chairman of the Board since June 2018. From October 2004 to January 2011, Mr. Guzzi served as Chief Operating Officer of the Company. From August 2001 until he joined the Company, Mr. Guzzi was President of the North American Distribution and Aftermarket Division of Carrier Corporation (“Carrier”). Carrier is a manufacturer and distributor of commercial and residential HVAC and refrigeration systems and equipment and a provider of aftermarket services and components of its own products and those of other manufacturers in both the HVAC and refrigeration industries.

Mark A. Pompa, Age 57; Executive Vice President and Chief Financial Officer of the Company since April 2006 and Treasurer of the Company from October 2019 to June 2020. From June 2003 to April 2006, Mr. Pompa was Senior Vice President-Chief Accounting Officer of the Company, and from June 2003 to January 2007, Mr. Pompa also served as Treasurer of the Company. From September 1994 to June 2003, Mr. Pompa was Vice President and Controller of the Company.

R. Kevin Matz, Age 63; Executive Vice President-Shared Services of the Company since December 2007 and Senior Vice President-Shared Services from June 2003 to December 2007. From April 1996 to June 2003, Mr. Matz served as Vice President and Treasurer of the Company and Staff Vice President-Financial Services of the Company from March 1993 to April 1996.

Maxine L. Mauricio, Age 50; General Counsel and Secretary of the Company since January 2016 and Executive Vice President since February 2021. Ms. Mauricio was a Senior Vice President of the Company from January 2016 to February 2021. From January 2012 to December 2015, Ms. Mauricio was Vice President and Deputy General Counsel of the Company, and from May 2002 to December 2011, she served as Assistant General Counsel of the Company. Prior to joining the Company, Ms. Mauricio was an associate at Ropes & Gray LLP.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information. Our common stock trades on the New York Stock Exchange under the symbol "EME."

Holdings. As of February 18, 2022, there were approximately 480 stockholders of record.

Dividends. We have paid quarterly dividends since October 25, 2011. We expect that such quarterly dividends will be paid for the foreseeable future. Prior to October 25, 2011, no cash dividends had been paid on the Company's common stock. We currently pay a regular quarterly dividend of \$0.13 per share. Our 2020 Credit Agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.13 per share for the foreseeable future. See Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our 2020 Credit Agreement.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes repurchases of our common stock made by us during the quarter ended December 31, 2021:

Period	Total Number of Shares Purchased ⁽¹⁾⁽²⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plan or Programs
October 1, 2021 to October 31, 2021	13,800	\$114.95	13,800	\$361,120,633
November 1, 2021 to November 30, 2021	47,466	\$120.06	47,466	\$355,421,942
December 1, 2021 to December 31, 2021	41,607	\$120.49	41,607	\$350,408,840
Total	<u>102,873</u>	\$119.55	<u>102,873</u>	

(1) In September 2011, our Board of Directors (the "Board") authorized a share repurchase program allowing us to begin repurchasing shares of our outstanding common stock. Subsequently, the Board has from time to time increased the amount of our common stock that we may repurchase under such program. Since the inception of the repurchase program, the Board has authorized us to repurchase up to \$1.45 billion of our outstanding common stock. As of December 31, 2021, there remained authorization for us to repurchase approximately \$350.4 million of our shares. No shares have been repurchased by us since the program was announced other than pursuant to such program. Refer to Note 12 - Common Stock of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our share repurchase program.

(2) Excludes 1,518 shares surrendered to the Company by participants in our share-based compensation plans to satisfy minimum tax withholdings for common stock issued under such plans.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Business Description

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services;
- United States mechanical construction and facilities services;
- United States building services;
- United States industrial services; and
- United Kingdom building services.

For a more complete description of our operations, refer to Item 1. Business.

Our reportable segments reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings. Consequently, we have included and updated the year-over-year discussion and analysis of results of operations for 2020 compared to 2019 to reflect these changes.

COVID-19 and Market Update

As a result of the COVID-19 pandemic, we experienced significant disruptions throughout calendar year 2020, which impacted our ability to execute on our remaining performance obligations in many of the markets in which we operate. The economic and operational impact of the pandemic, which were most acute during the second quarter of 2020, negatively affected our results of operations during such period and continued to impact portions of our business in 2021. However, our strong balance sheet and operational flexibility have allowed us to manage through the ongoing impacts of the pandemic while protecting our cash flow and liquidity.

Although the majority of our businesses have largely recovered from the financial impacts of the COVID-19 pandemic experienced in 2020, as evidenced by our consolidated performance and the growth in our remaining performance obligations, our United States industrial services segment continues to be negatively impacted by the lingering effects of the pandemic. The prolonged impacts of lower demand and the overall lagging recovery of the oil and gas market have resulted in customers of this segment canceling or deferring regularly scheduled maintenance projects, reducing capital spending, implementing various cost cutting measures, and closing certain of their facilities. Such customer actions continue to impact the demand for our service offerings within this segment.

We continue to monitor the short- and long-term impacts of the pandemic. While our employees and customers have adapted to a new work environment and there continues to be scientific, societal, and economic progress to address the effects of COVID-19, including the widespread availability of effective vaccines in the markets we serve, there remains significant uncertainty about the future impacts of the pandemic, or any resulting market disruption or volatility, including the potential effects on our operations. We continue to be cautiously optimistic about the markets in which we operate and the customers we serve; however, should there be a slowdown in economic activity due to surges in the number of cases, or an increase in variants of the virus that are more virulent, contagious, or against which current vaccines are less effective, it is possible that projects could be delayed or canceled or that we could experience access restrictions to our customers' facilities, preventing us from performing maintenance and service projects. The extent to which our business and results of operations are impacted in future periods will also depend upon a number of other factors. These include the duration and extent of the pandemic; limitations on the ability of our employees to perform their work due to illness caused by the pandemic or local, state, or federal orders requiring employees to quarantine; the cost and/or disruption of testing that may be required of our employees either by customer requirements or government mandates; the extent, duration, and effective execution of government stabilization and recovery efforts; the widespread adoption and long-term efficacy of vaccines and the availability and efficacy of other treatments; our customers' demand for our services; our ability to continue to safely and effectively operate in this environment; and the ability of our customers to pay us for services rendered.

While the emergency temporary standard requiring employers with 100 or more employees to ensure their workforce is fully vaccinated or to require unvaccinated workers to produce a negative test result on at least a weekly basis (the “ETS”) has been withdrawn by the Occupational Safety and Health Administration (“OSHA”), and Executive Order 14042 mandating vaccination for all federal contractors and subcontractors is currently stayed by the courts, it is unclear whether OSHA or another federal agency will mandate vaccination and/or testing. Costs related to any mandatory testing, including both the costs of tests and the costs to compensate employees for the time to undergo such testing, will likely represent a substantial expense to the Company, which could have a material adverse effect on our business, financial condition, and/or results of operations to the extent that a significant portion of our workforce does not choose to become vaccinated.

On January 10, 2022, the Biden Administration announced that it would require insurance companies and group health plans to cover the cost of at-home COVID-19 tests. As we are self-insured for employee-related healthcare claims, this new requirement could result in an additional expense for the Company. It is not possible at this time to determine the impact of this new requirement or whether it could have a material adverse effect on our financial condition and/or results of operations.

Supply chain disruptions, material shortages, or escalating commodity prices have and may continue to negatively impact our business. For example, we have experienced lead times significantly in excess of normal levels and have seen the effects of inflation through increases in commodity and material prices. Despite these challenges, to date, we have been able to manage our business through enhanced labor planning and project scheduling, increased pricing to the extent contractually permitted, and by leveraging our relationships with our suppliers and customers, resulting in only modest disruptions to our project and service work within the majority of our reportable segments. However, the impact of the COVID-19 pandemic on our vendors and the pricing and availability of materials or supplies utilized in our operations continues to evolve and may have an adverse impact on our operations in future periods. While we believe our remaining performance obligations are firm, customers may also slow decision-making, delay planned work, or seek to terminate existing agreements. Any of these events could have a material adverse effect on our business, financial condition, and/or results of operations.

2021 versus 2020

Overview

The following table presents selected financial data for the fiscal years ended December 31, 2021 and 2020 (in thousands, except percentages and per share data):

	2021	2020
Revenues	\$9,903,580	\$8,797,061
Revenues increase (decrease) from prior year	12.6 %	(4.1)%
Gross profit	\$1,501,737	\$1,395,382
Gross profit as a percentage of revenues	15.2 %	15.9 %
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	\$ —	\$ 232,750
Operating income	\$ 530,800	\$ 256,834
Operating income as a percentage of revenues	5.4 %	2.9 %
Net income attributable to EMCOR Group, Inc.	\$ 383,532	\$ 132,943
Diluted earnings per common share	\$ 7.06	\$ 2.40

Revenues of \$9.90 billion for the year ended December 31, 2021 set a new annual record for the Company and represent an increase of 12.6% from revenues of \$8.80 billion for the year ended December 31, 2020. As described in further detail below, we experienced revenue growth within all of our reportable segments.

Operating income for 2021 was \$530.8 million, or 5.4% of revenues, compared to operating income of \$256.8 million, or 2.9% of revenues, in 2020. Our operating results for the year ended December 31, 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company’s operating margin for 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income increased by \$41.2 million for the year ended December 31, 2021, as a result of increased operating income contribution from all of our reportable segments, except for our United States industrial services segment, which continues to be impacted by the effect of adverse market conditions on the demand for its service offerings, as described in further detail below.

Net income of \$383.5 million, or \$7.06 per diluted share, for the year ended December 31, 2021, compares favorably to net income of \$132.9 million, or \$2.40 per diluted share, for the year ended December 31, 2020. While such increases were largely attributable to the growth in operating income referenced above, net income and diluted earnings per common share for the year ended December 31, 2021 also benefited from a more normalized income tax rate, as our tax rate in the prior year was negatively impacted by the non-cash impairment charges recorded in 2020, the majority of which were non-deductible for tax purposes. Our diluted earnings per share for 2021 additionally benefited from a reduced weighted average share count given the impact of common stock repurchases made by us throughout 2020 and 2021.

Impact of Acquisitions

In order to provide a more meaningful period-over-period discussion of our operating results, we may discuss amounts generated or incurred (revenues, gross profit, selling, general and administrative expenses and operating income) from companies acquired. The amounts discussed reflect the acquired companies' operating results in the current reported period only for the time period these entities were not owned by EMCOR in the comparable prior reported period.

We acquired eight companies in 2021 for total consideration of \$131.2 million. Such acquisitions include: (a) two companies, the results of operations of which were de minimis, included within our United States mechanical construction and facilities services segment, consisting of: (i) a company that provides mechanical services within the Southern region of the United States and (ii) a company that provides fire protection services in the Midwestern region of the United States, (b) two companies that provide electrical construction services for a broad array of customers in the Midwestern region of the United States, the results of operations of which have been included in our United States electrical construction and facilities services segment, and (c) four companies included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services across North Texas and (ii) three companies, the results of operations of which were de minimis, that bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions.

We acquired three companies in 2020 for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services within the Washington, D.C. metro area, and (c) a company, the results of operations of which were de minimis, that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment.

Companies acquired in 2021 and 2020 generated incremental revenues of \$196.3 million and incremental operating income of \$4.0 million, inclusive of \$11.5 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2021.

Discussion and Analysis of Results of Operations

Revenues

The following table presents our revenues for each of our operating segments and the approximate percentages that each segment's revenues were of total revenues for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 2,015,466	20 %	\$ 1,806,092	20 %
United States mechanical construction and facilities services	3,922,864	40 %	3,485,495	40 %
United States building services	2,468,892	25 %	2,134,016	24 %
United States industrial services	986,407	10 %	940,895	11 %
Total United States operations	<u>9,393,629</u>	95 %	<u>8,366,498</u>	95 %
United Kingdom building services	509,951	5 %	430,563	5 %
Total operations	<u>\$ 9,903,580</u>	100 %	<u>\$ 8,797,061</u>	100 %

As described in more detail below, revenues for the year ended December 31, 2021 increased to \$9.90 billion compared to \$8.80 billion for the year ended December 31, 2020. The increase in revenues for the year ended December 31, 2021 was attributable to revenue growth within all of our reportable segments. Companies acquired in 2021 and 2020 generated incremental revenues of \$196.3 million in 2021.

Revenues of our United States electrical construction and facilities services segment were \$2,015.5 million for the year ended December 31, 2021 compared to revenues of \$1,806.1 million for the year ended December 31, 2020. Excluding the impact of acquisitions, the increase in revenues of this segment for the year ended December 31, 2021 was primarily attributable to: (a) a resumption of project activity within certain major metropolitan areas, where work was previously postponed due to access restrictions caused by the various containment and mitigation measures mandated in the prior year by certain of our customers and/or governmental authorities in response to the COVID-19 pandemic, leading to: (i) an increase in commercial market sector revenues and (ii) greater short-duration project volumes in the current year, (b) an increase in public works projects in the Western region of the United States, resulting in greater revenue contribution from the institutional market sector, (c) revenue growth within the healthcare market sector, due to greater construction project activity in the Northeastern region of the United

States, and (d) an increase in telecommunication project activity within the commercial market sector. The results of this segment for the year ended December 31, 2021 included \$93.1 million of incremental revenues generated by companies acquired in 2021. The revenue increases referenced above were partially offset by a reduction in revenues within the manufacturing and transportation market sectors due to the completion or substantial completion of certain projects in the Northeastern and Western regions of the United States.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2021 were \$3,922.9 million, a \$437.4 million increase compared to revenues of \$3,485.5 million for the year ended December 31, 2020. The increase in this segment's revenues for the year ended December 31, 2021 was attributable to revenue growth within the majority of the market sectors in which we operate, including: (a) the commercial market sector, driven by: (i) the continued build-out of our customers' e-commerce supply chains, which has resulted in increased demand for our fire protection services within their warehousing and distribution facilities, (ii) continued growth in digital processing, cloud computing, and data storage, which has resulted in an increase in telecommunication construction project opportunities, and (iii) increased demand for our mechanical construction services by customers within the biotech, life-sciences, and pharmaceutical industries, as well as certain customers engaged in the production and development of electric vehicles and/or lithium batteries, (b) the healthcare market sector, due to increased mechanical system retrofits and installations as our healthcare customers seek to upgrade their existing facilities or build new facilities, (c) the manufacturing market sector, inclusive of certain large food processing projects, which began to accelerate during the second half of 2021, and (d) the water and wastewater market sector, given increased project activity within the Southern region of the United States. These increases were partially offset by the completion or substantial completion of certain projects within the institutional market sector, which resulted in a reduction of revenues within such sector during 2021.

Revenues of our United States building services segment were \$2,468.9 million and \$2,134.0 million for the years ended December 31, 2021 and 2020, respectively. Excluding incremental acquisition revenues within this segment's mobile mechanical services division of \$103.2 million, this segment's revenue growth for the year ended December 31, 2021 was primarily attributable to: (a) greater project, service repair and maintenance, and building automation and controls activities within our mobile mechanical services operations, as well as an increase in project volume within our commercial site-based services operations, in both cases, partially as a result of a resumption in demand for certain of our service offerings when compared to the prior year, which was negatively impacted by the COVID-19 pandemic given the temporary closure of certain customer facilities, (b) a net increase in facilities maintenance contract revenues, partially as a result of new contract awards, (c) increased customer demand, stemming in part from the COVID-19 pandemic, for certain services aimed at either: (i) improving the indoor air quality or (ii) enhancing the cleaning protocols within their facilities, and (d) an increase in snow removal activity year-over-year within our commercial site-based services division.

Revenues of our United States industrial services segment for the year ended December 31, 2021 were \$986.4 million, a \$45.5 million increase compared to revenues of \$940.9 million for the year ended December 31, 2020. The increase in this segment's revenues for the year ended December 31, 2021 was attributable to greater revenues from both our field services and shop services operations during the second half of 2021, when compared to the same prior year period. While this segment's revenues throughout the majority of both 2021 and 2020 were negatively impacted by the adverse market conditions within the oil and gas and related industrial markets, the impact on the demand for its service offerings was most severe during the second half of 2020, resulting in a favorable comparison in the current year. Although the demand for oil and other refined products has not returned to pre-pandemic levels, the oil and gas industry continues to recover and we remain cautiously optimistic that the demand for our traditional industrial services will continue to improve in future periods. Revenues of this segment for the year ended December 31, 2021 additionally benefited from the completion of a 200-megawatt solar project by certain subsidiaries of this segment during 2021.

Our United Kingdom building services segment revenues were \$510.0 million in 2021 compared to \$430.6 million in 2020. The increase in this segment's revenues for the year ended December 31, 2021 was primarily a result of growth in project activities with existing customers, primarily within the commercial and water and wastewater market sectors, partially as a result of a resumption in demand as customers began to release projects which were previously deferred due to the uncertainty created by the COVID-19 pandemic. Similar to our United States building services segment, this segment additionally experienced increased revenues resulting from greater demand for services aimed at enhancing the cleaning protocols within its customers' facilities in response to COVID-19. This segment's revenues for the year ended December 31, 2021 were positively impacted by \$34.6 million related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Cost of sales and gross profit

The following table presents cost of sales, gross profit (revenues less cost of sales), and gross profit margin (gross profit as a percentage of revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>2020</u>
Cost of sales	\$8,401,843	\$7,401,679
Gross profit	\$1,501,737	\$1,395,382
Gross profit margin	15.2 %	15.9 %

Our gross profit for the year ended December 31, 2021 was \$1,501.7 million, a \$106.4 million increase compared to gross profit of \$1,395.4 million for the year ended December 31, 2020. The increase in gross profit for the year ended December 31, 2021 was predominately a result of increased gross profit contribution from our United States construction segments and our United States building services segment given greater revenue volume during 2021. In addition, we experienced an increase in gross profit within our United Kingdom building services segment due, in part, to both increased revenue and gross profit margin expansion when compared to 2020.

Our gross profit margin was 15.2% and 15.9% for 2021 and 2020, respectively. The decrease in gross profit margin for the year ended December 31, 2021 was predominantly attributable to a reduction in gross profit margin within all of our reportable segments, except for our United Kingdom building services segment. Refer to the operating income section below for further discussion regarding the operating performance of each of our reportable segments.

Selling, general and administrative expenses

The following table presents selling, general and administrative expenses and SG&A margin (selling, general and administrative expenses as a percentage of revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>2020</u>
Selling, general and administrative expenses	\$ 970,937	\$ 903,584
SG&A margin	9.8 %	10.3 %

Our selling, general and administrative expenses for the year ended December 31, 2021 were \$970.9 million compared to selling, general and administrative expenses of \$903.6 million for the year ended December 31, 2020. For the year ended December 31, 2021, selling, general and administrative expenses included \$19.2 million of incremental expenses directly related to companies acquired in 2021 and 2020, including amortization expense attributable to identifiable intangible assets of \$4.3 million. Excluding incremental expenses from businesses acquired, our selling, general and administrative expenses increased by \$48.2 million for the year ended December 31, 2021. Such organic increase in selling, general and administrative expenses was primarily attributable to an increase in: (a) employee benefit costs, driven by greater medical claim activity related in part to the COVID-19 pandemic, (b) incentive compensation expense, predominantly within our United States construction segments and our United States building services segment given greater operating income when compared to the prior year, (c) salaries, as a result of: (i) an increase in headcount to support our organic revenue growth in the current year and (ii) the favorable impact in the prior year of certain short-term cost cutting measures enacted in response to the COVID-19 pandemic, including temporary furloughs and salary reductions, (d) computer hardware and software costs as a result of various information technology and cybersecurity initiatives currently in process, and (e) the provision for credit losses, within our United States industrial services segment, which included \$5.8 million of expense associated with two customer bankruptcies during 2021.

Selling, general and administrative expenses as a percentage of revenues were 9.8% and 10.3% for 2021 and 2020, respectively. The decrease in SG&A margin for the year ended December 31, 2021 was a result of an increase in revenues without a commensurate increase in overhead costs, as we were able to leverage our existing overhead cost structure.

Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets

During the second quarter of 2020, we identified certain indicators of impairment resulting from the COVID-19 pandemic and its impact on the oil and gas and related industrial markets. These adverse conditions resulted in lower forecasted revenue and operating margin expectations for those of our businesses that are highly dependent on the strength of such markets, resulting in the recognition, during 2020, of impairment charges totaling \$232.8 million within our United States industrial services segment.

Despite the weaker results of our United States industrial services segment for the year ended December 31, 2021, when compared to historical periods, we did not identify any indicators of impairment in the current year, as the operating performance of this segment remained materially consistent with our near term expectations and forecasts. Further, we performed our annual impairment assessment as of October 1, 2021 and determined that the fair value of the industrial reporting unit remained in excess of its carrying value. However, a further deterioration in this segment's operating performance, significant adverse changes to external market conditions or the assumptions utilized in our impairment tests, such as the weighted average cost of capital and our internal forecasts, if any, could result in the identification of future impairment indicators and potentially future goodwill impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such charge would be material to our results of operations.

Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating margin (operating income (loss) as a percentage of such segment's revenues) for the years ended December 31, 2021 and 2020 (in thousands, except for percentages):

	<u>2021</u>	<u>% of Segment Revenues</u>	<u>2020</u>	<u>% of Segment Revenues</u>
Operating income (loss):				
United States electrical construction and facilities services	\$ 168,363	8.4 %	\$ 161,810	9.0 %
United States mechanical construction and facilities services	319,112	8.1 %	292,536	8.4 %
United States building services	119,024	4.8 %	114,159	5.3 %
United States industrial services	(1,666)	(0.2)%	1,175	0.1 %
Total United States operations	604,833	6.4 %	569,680	6.8 %
United Kingdom building services	27,998	5.5 %	20,660	4.8 %
Corporate administration	(102,031)	—	(98,542)	—
Restructuring expenses	—	—	(2,214)	—
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	—	—	(232,750)	—
Total operations	530,800	5.4 %	256,834	2.9 %
Other items:				
Net periodic pension (cost) income	3,625		2,980	
Interest expense	(6,071)		(9,009)	
Interest income	949		1,521	
Income before income taxes	<u>\$ 529,303</u>		<u>\$ 252,326</u>	

As described in more detail below, operating income was \$530.8 million, or 5.4% of revenues, for the year ended December 31, 2021, compared to operating income of \$256.8 million, or 2.9% of revenues, for the year ended December 31, 2020. Our operating results for 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company's operating margin in 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income increased by \$41.2 million for the year ended December 31, 2021, as a result of increased operating income contribution from all of our reportable segments, except for our United States industrial services segment, which continues to be impacted by the effect of adverse market conditions on the demand for its service offerings. Companies acquired in 2021 and 2020, generated incremental operating income of \$4.0 million, inclusive of \$11.5 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2021.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2021 was \$168.4 million compared to operating income of \$161.8 million for the year ended December 31, 2020. Companies acquired in 2021 contributed incremental operating income of \$3.7 million, inclusive of \$4.9 million of amortization expense associated with identifiable intangible assets. Excluding such acquisition contribution, operating income of this segment increased a modest \$2.9 million for the year ended December 31, 2021. Gross profit gains from construction projects within the institutional and healthcare market sectors, primarily as a result of the revenue growth within these market sectors, as referenced above, were largely offset by gross profit declines within the transportation and manufacturing market sector, given the completion or close-out of certain projects in the prior year. Operating margins within this segment for the years ended December 31, 2021 and 2020 were 8.4% and 9.0%, respectively. The decrease in operating margin year-over-year was a result of a decline in this segment's gross profit margin during 2021, predominantly within: (a) the commercial market sector,

partially due to a change in the composition of project work performed period-over-period, and (b) the transportation market sector as the results for the prior year benefited from the successful close-out of several large construction projects within the Northeastern region of the United States.

Our United States mechanical construction and facilities services segment's operating income for the year ended December 31, 2021 was \$319.1 million, a \$26.6 million increase compared to operating income of \$292.5 million for the year ended December 31, 2020. The increase in operating income for 2021 was a result of an increase in gross profit from construction projects within the majority of the market sectors in which we operate, driven by increased revenue volume year-over-year. Operating margins within this segment for the years ended December 31, 2021 and 2020 were 8.1% and 8.4%, respectively. The 30 basis point reduction in this segment's operating margin in 2021 was primarily a result of a decrease in gross profit margin within the manufacturing market sector as: (a) the results for the prior year benefited from the favorable close-out of several projects and (b) the results for the current year include increased revenues from certain large food processing projects, for which we are acting as the construction manager and therefore carry lower than average gross profit margins. This decrease in gross profit margin was partially offset by a reduction in the ratio of selling, general and administrative expenses to revenues given an increase in segment revenues without a commensurate increase in overhead costs.

Operating income of our United States building services segment for the year ended December 31, 2021 was \$119.0 million, or 4.8% of revenues, compared to operating income of \$114.2 million, or 5.3% of revenues, for the year ended December 31, 2020. The increase in this segment's operating income for 2021 was primarily due to the resumption in demand for certain of our service offerings when compared to the prior year, which led to increased gross profit from project, service repair and maintenance, and building automation and controls activities within our mobile mechanical services operations, and project volumes within our commercial site-based services operations. In addition, gross profit for the year ended December 31, 2021 benefited from greater snow removal activity for our customers with whom we are contracted on a per snow event basis. Companies acquired in 2021 and 2020, which are included within this segment's mobile mechanical services division, generated incremental operating income of approximately \$0.7 million, inclusive of \$6.2 million of amortization expense associated with identifiable intangible assets, during 2021. The 50 basis point reduction in operating margin for the year ended December 31, 2021 was attributable to a decrease in gross profit margin, partially offset by a reduction in the ratio of selling, general and administrative expenses to revenues as this segment was able to effectively leverage its overhead cost structure during this period of revenue growth. The decline in gross profit margin resulted from a less favorable mix of work within this segment's mobile mechanical services division, including a greater number of fixed price capital projects, which traditionally have lower gross profit margins than the other service and repair offerings of this segment. Gross profit margin of this segment in 2021 was also negatively impacted by: (a) supply chain disruptions, including longer lead times for certain materials and equipment, which resulted in a greater amount of unabsorbed labor costs in instances where projects were delayed pending the receipt of materials, and (b) an escalation in fuel prices for its fleet of over 4,000 service vans, a portion of which we were unable to pass along to our customers.

Our United States industrial services segment reported an operating loss of \$1.7 million for the year ended December 31, 2021 compared to operating income of \$1.2 million for the year ended December 31, 2020. Operating margin of this segment was (0.2)% and 0.1% for 2021 and 2020, respectively. Despite the increase in annual revenues compared to full year 2020, this segment's operating results continue to be negatively impacted by the adverse macroeconomic conditions within the oil and gas industry. For example, pricing pressure from the customers of this segment has resulted in a lower margin portfolio of work, and therefore a decrease in gross profit when compared to the prior year, within both our field services and shop services operations. In addition to the effect of lower gross profit, operating income of this segment was negatively impacted by an increase in the provision for credit losses, which included approximately \$5.8 million of expense associated with two customer bankruptcies during 2021, which resulted in a 60 basis point reduction to this segment's operating margin.

Our United Kingdom building services segment operating income for the year ended December 31, 2021 was \$28.0 million, or 5.5% of revenues, which compares favorably to operating income of \$20.7 million, or 4.8% of revenues, for the year ended December 31, 2020. The increase in this segment's operating income and operating margin for 2021 was primarily a result of an increase in gross profit and gross profit margin from projects within the commercial market sector, partially offset by an increase in selling, general and administrative expenses to support the segment's revenue growth. In addition, this segment's operating income and operating margin for the year ended December 31, 2021 benefited from successful contract close-outs during 2021. This segment's operating income was positively impacted by \$2.1 million during 2021 related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Our corporate administration expenses were \$102.0 million for 2021 compared to \$98.5 million in 2020. The increase in corporate administration expenses for the year ended December 31, 2021 was primarily due to: (a) an increase in employment costs, such as: (i) long-term incentive compensation expense given higher projected future operating results, as our expectations during 2020 were negatively impacted by the uncertainty created by the COVID-19 pandemic, and (ii) salaries, inclusive of certain non-recurring severance expenses associated with the continued realignment of our back office functions, and (b) a net increase in computer hardware, software, and consulting costs, as a result of various information technology and cybersecurity initiatives currently in process.

Other items

Interest expense was \$6.1 million and \$9.0 million for 2021 and 2020, respectively, and interest income was \$0.9 million and \$1.5 million for 2021 and 2020, respectively. The decrease in both interest expense and interest income for 2021 resulted from lower interest rates when compared to 2020. In addition, the decrease in interest expense was partially attributable to reduced average outstanding borrowings year-over-year.

Our income tax provision for the year ended December 31, 2021 was \$145.6 million, based on an income tax rate of 27.5%, compared to an income tax provision and an income tax rate of \$119.4 million and 47.3%, respectively, for the year ended December 31, 2020. Our income tax rate, and resulting income tax provision, for the year ended December 31, 2020 were impacted by the tax effect of the \$232.8 million of non-cash goodwill, identifiable intangible asset, and other long-lived asset impairment charges recorded during 2020, the majority of which was non-deductible for tax purposes.

Remaining Unsatisfied Performance Obligations

The following table presents the transaction price allocated to remaining unsatisfied performance obligations (“remaining performance obligations”) for each of our reportable segments and their respective percentage of total remaining performance obligations (in thousands, except for percentages):

	<u>December 31, 2021</u>	<u>% of Total</u>	<u>December 31, 2020</u>	<u>% of Total</u>
Remaining performance obligations:				
United States electrical construction and facilities services	\$ 1,210,568	22 %	\$ 1,055,089	23 %
United States mechanical construction and facilities services	3,320,359	59 %	2,673,293	58 %
United States building services	838,324	15 %	618,353	13 %
United States industrial services	111,838	2 %	117,212	3 %
Total United States operations	<u>5,481,089</u>	98 %	<u>4,463,947</u>	97 %
United Kingdom building services	118,208	2 %	130,673	3 %
Total operations	<u>\$ 5,599,297</u>	100 %	<u>\$ 4,594,620</u>	100 %

Remaining performance obligations increase with awards of new contracts and decrease as we perform work and recognize revenue on existing contracts. We include a project within our remaining performance obligations at such time as the project is awarded and agreement on contract terms has been reached. Our remaining performance obligations include amounts related to contracts for which a fixed price contract value is not assigned when a reasonable estimate of the total transaction price can be made.

Remaining performance obligations include unrecognized revenues to be realized from uncompleted construction contracts. Although many of our construction contracts are subject to cancellation at the election of our customers, in accordance with industry practice, we do not limit the amount of unrecognized revenue included within remaining performance obligations for these contracts as the risk of cancellation is very low due to the inherent substantial economic penalty that our customers would incur upon cancellation or termination. We believe our reported remaining performance obligations for our construction contracts are firm and contract cancellations have not had a material adverse effect on us.

Remaining performance obligations also include unrecognized revenues expected to be realized over the remaining term of service contracts. However, to the extent a service contract includes a cancellation clause which allows for the termination of such contract by either party without a substantive penalty, the remaining contract term, and therefore, the amount of unrecognized revenues included within remaining performance obligations, is limited to the notice period required for the termination.

Our remaining performance obligations are comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business, (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which the variable consideration constraint does not apply, and (e) other forms of variable consideration to the extent that such variable consideration has been included within the transaction price of our contracts. Such claim and other variable consideration amounts were immaterial for all periods presented.

Our remaining performance obligations at December 31, 2021 were \$5.60 billion compared to \$4.59 billion at December 31, 2020. The increase in remaining performance obligations year-over-year was primarily attributable to an increase in remaining performance obligations within our United States construction segments, driven by the award of various construction projects within the majority of the market sectors in which we operate, most notably: (a) the commercial market sector, inclusive of certain semiconductor projects, (b) the manufacturing market sector, inclusive of several food processing projects, and (c) the healthcare, institutional, and water and wastewater market sectors. In addition, we experienced an increase in remaining performance obligations within our United States building services segment given increased project opportunities within its mobile mechanical services division and the award of several facilities maintenance contracts within its commercial site-based services division. Remaining performance obligations increased by \$162.8 million as a result of acquisitions during 2021.

2020 versus 2019

Overview

The following table presents selected financial data for the fiscal years ended December 31, 2020 and 2019 (in thousands, except percentages and per share data):

	2020	2019
Revenues	\$8,797,061	\$9,174,611
Revenues (decrease) increase from prior year	(4.1)%	12.8 %
Gross profit	\$1,395,382	\$1,355,868
Gross profit as a percentage of revenues	15.9 %	14.8 %
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	\$ 232,750	\$ —
Operating income	\$ 256,834	\$ 460,892
Operating income as a percentage of revenues	2.9 %	5.0 %
Net income attributable to EMCOR Group, Inc.	\$ 132,943	\$ 325,140
Diluted earnings per common share	\$ 2.40	\$ 5.75

Revenues of \$8.80 billion for the year ended December 31, 2020 decreased by 4.1% from revenues of \$9.17 billion for the year ended December 31, 2019. As discussed in further detail below, such decrease in revenues was largely attributable to revenue declines within our United States industrial services segment, as a result of a decrease in demand for our service offerings within the oil and gas and related industrial markets given the negative macroeconomic conditions impacting these markets. In addition, we experienced a decrease in revenues within our United States electrical construction and facilities services segment, due to: (a) the effects of the COVID-19 pandemic on our operations during 2020, which resulted in: (i) a decrease in the number of short duration projects and (ii) project delays or access restrictions resulting from the various containment and mitigation measures mandated by certain of our customers and/or governmental authorities, and (b) a reduction in commercial market sector activities given the completion or substantial completion of several projects. These revenue declines were partially offset by revenue growth within our United States mechanical construction and facilities services segment and our United States building services segment, inclusive of the impact of businesses acquired, as discussed below, as well as an increase in revenues of our United Kingdom building services segment.

Operating income for 2020 was \$256.8 million, or 2.9% of revenues, compared to operating income of \$460.9 million, or 5.0% of revenues, in 2019. Our operating results for the year ended December 31, 2020 included \$232.8 million of non-cash impairment charges within our United States industrial services segment, which negatively impacted the Company's operating margin for 2020 by approximately 270 basis points. Excluding the impact of such impairments, operating income and operating margin for the twelve months ended December 31, 2020 increased by \$28.7 million and 60 basis points, respectively, primarily as a result of favorable execution within our United States construction segments, as described in further detail below.

Net income of \$132.9 million, or \$2.40 per diluted share, for the year ended December 31, 2020, compares unfavorably to net income of \$325.1 million, or \$5.75 per diluted share, for the year ended December 31, 2019. The decline in both net income and diluted earnings per common share are a result of the aforementioned impairment charges and the related tax effects as the majority of such charges were non-deductible for tax purposes.

Impact of Acquisitions

We acquired three companies in 2020 for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services within the Washington, D.C. metro area, and (c) a company, the results of operations of which were de minimis, that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment.

On November 1, 2019, we completed the acquisition of Batchelor & Kimball, Inc. (“BKI”), a leading full service provider of mechanical construction and maintenance services, for total consideration of \$220.3 million. This acquisition strengthens our position and broadens our capabilities in the Southern and Southeastern regions of the United States, and the results of its operations have been included within our United States mechanical construction and facilities services segment. In addition to BKI, during 2019, we completed six other acquisitions for total consideration of \$85.4 million. Such acquisitions include: (a) a company that provides electrical contracting services in central Iowa, the results of operations of which have been included within our United States electrical construction and facilities services segment, (b) a company that provides mechanical contracting services in south-central and eastern Texas, the results of operations of which have been included within our United States mechanical construction and facilities services segment, and (c) four companies included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services in the Southern region of the United States and (ii) three companies, the results of operations of which were de minimis, which bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions.

Companies acquired in 2020 and 2019 generated incremental revenues of \$269.6 million and incremental operating income of \$15.4 million, inclusive of \$16.0 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2020.

Discussion and Analysis of Results of Operations

Revenues

The following table presents our revenues for each of our operating segments and the approximate percentages that each segment’s revenues were of total revenues for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 1,806,092	20 %	\$ 1,961,798	21 %
United States mechanical construction and facilities services	3,485,495	40 %	3,340,337	36 %
United States building services	2,134,016	24 %	2,121,661	23 %
United States industrial services	940,895	11 %	1,327,556	15 %
Total United States operations	<u>8,366,498</u>	95 %	<u>8,751,352</u>	95 %
United Kingdom building services	430,563	5 %	423,259	5 %
Total operations	<u>\$ 8,797,061</u>	100 %	<u>\$ 9,174,611</u>	100 %

As described in more detail below, revenues for the year ended December 31, 2020 decreased to \$8.80 billion compared to \$9.17 billion for the year ended December 31, 2019. Revenue declines within our United States industrial services segment, as a result of a decrease in demand for our service offerings within the oil and gas and related industrial markets, and our United States electrical construction and facilities services segment, as described in further detail below, were partially offset by revenue growth within our United States mechanical construction and facilities services segment, our United States building services segment, and our United Kingdom building services segment. Companies acquired in 2020 and 2019, which are reported in our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment and our United States building services segment, generated incremental revenues of \$269.6 million in 2020.

Revenues of our United States electrical construction and facilities services segment were \$1,806.1 million for the year ended December 31, 2020 compared to revenues of \$1,961.8 million for the year ended December 31, 2019. The decrease in revenues was attributable to: (a) the effects of the COVID-19 pandemic on our operations during 2020, which resulted in: (i) a decrease in the number of short duration projects and (ii) project delays or access restrictions resulting from the various containment and mitigation measures mandated by certain of our customers and/or governmental authorities, and (b) a decline in revenues from

construction projects within the commercial market sector, as a result of the completion or substantial completion of several projects. The results for the year ended December 31, 2020 included \$25.4 million of incremental revenues generated by a company acquired in 2019.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2020 were \$3,485.5 million, a \$145.2 million increase compared to revenues of \$3,340.3 million for the year ended December 31, 2019. The results for the year ended December 31, 2020 included \$188.8 million of incremental revenues generated by companies acquired in 2019. Excluding the impact of acquisitions, revenues of this segment decreased by \$43.7 million, primarily as a result of a decline in revenues from: (a) the manufacturing market sector, inclusive of certain large food processing construction projects, and (b) several telecommunications and technology projects. Similar to our United States electrical construction and facilities services segment, revenues of this segment were also negatively impacted by the effects of the COVID-19 pandemic during 2020, which resulted in project delays and temporary job site shutdowns, as well as a decrease in the number of short duration projects. These revenue reductions were partially offset by increased revenues from the majority of the remaining market sectors in which we operate, most notably the institutional, transportation, and commercial market sectors.

Revenues of our United States building services segment were \$2,134.0 million and \$2,121.7 million for the years ended December 31, 2020 and 2019, respectively. Excluding acquisition revenues of \$55.4 million, this segment's revenues decreased by approximately \$43.0 million during the year ended December 31, 2020. Such reduction in revenues was primarily attributable to: (a) decreased project and controls activities within our mobile mechanical services operations, largely as a result of the impact of the COVID-19 pandemic during 2020, which resulted in fewer project opportunities given the temporary closure of certain customer facilities, (b) decreased large project activity within our energy services operations, primarily as a result of the completion of certain projects which were active in 2019, and (c) the loss of certain contracts not renewed pursuant to rebid within our government services business. These revenue declines were partially offset by increased customer demand for certain services aimed at improving the indoor air quality within their facilities as well as an increase in revenues within our commercial site-based services operations, as a result of new contract awards and scope expansion on certain contracts with existing customers.

Revenues of our United States industrial services segment for the year ended December 31, 2020 were \$940.9 million, a \$386.7 million decrease compared to revenues of \$1,327.6 million for the year ended December 31, 2019. Revenues of this segment for the year ended December 31, 2020 were negatively impacted by adverse market conditions including unprecedented volatility in the price of crude oil, largely as a result of a decline in demand caused by the COVID-19 pandemic. Such macroeconomic conditions led to a decrease in demand for our services, which resulted in: (a) a decrease in maintenance and capital project activity within our field services operations and (b) a reduction in new build heat exchanger sales and a decrease in maintenance, repair, and hydro blast cleaning services within our shop services operations. In addition, revenues for the year ended December 31, 2020 were negatively impacted by project stoppages resulting from hurricanes, including certain named storms, within the Gulf Coast region.

Our United Kingdom building services segment revenues were \$430.6 million in 2020 compared to \$423.3 million in 2019. The year-over-year increase in revenues within this segment was primarily attributable to: (a) an increase in revenues from new maintenance contract awards within the commercial market sector, and (b) increased project activity with existing customers, primarily within the water and wastewater market sector, despite reduced opportunities for project work brought upon by the temporary closure of certain customer facilities and the temporary suspension of capital spending as a result of the COVID-19 pandemic in the first half of 2020. This segment's revenues during 2020 were positively impacted by \$2.3 million related to the effect of favorable exchange rates for the British pound versus the United States dollar.

Cost of sales and gross profit

The following table presents cost of sales, gross profit, and gross profit margin for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	2019
Cost of sales	\$7,401,679	\$7,818,743
Gross profit	\$1,395,382	\$1,355,868
Gross profit margin	15.9 %	14.8 %

Our gross profit for the year ended December 31, 2020 was \$1,395.4 million, a \$39.5 million increase compared to gross profit of \$1,355.9 million for the year ended December 31, 2019. Our gross profit margin was 15.9% and 14.8% for 2020 and 2019, respectively. The increase in gross profit and gross profit margin for the year ended December 31, 2020 was predominantly a result of improved operating performance within both of our United States construction segments, as described in further detail below, despite the challenges brought on by the COVID-19 pandemic.

Selling, general and administrative expenses

The following table presents selling, general and administrative expenses and SG&A margin, for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	2019
Selling, general and administrative expenses	\$ 903,584	\$ 893,453
SG&A margin	10.3 %	9.7 %

Our selling, general and administrative expenses for the year ended December 31, 2020 were \$903.6 million compared to selling, general and administrative expenses of \$893.5 million for the year ended December 31, 2019. For the year ended December 31, 2020, selling, general and administrative expenses included \$29.6 million of incremental expenses directly related to companies acquired in 2020 and 2019, including amortization expense attributable to identifiable intangible assets of \$9.5 million. Excluding incremental expenses from businesses acquired, our selling, general and administrative expenses for 2020 decreased by \$19.4 million, primarily as a result of certain cost reductions resulting from, or actions taken in response to, the COVID-19 pandemic, including: (a) a reduction in certain discretionary spending, such as travel and entertainment costs, (b) a decrease in salary expense due to: (i) a reduction in headcount, resulting from lower revenues than in the same 2019 period, and (ii) certain short-term cost cutting measures, including temporary furloughs and salary reductions, and (c) a decrease in employee benefit costs, partially due to a decline in medical claims. These cost reductions were partially offset by an increase in incentive compensation expense, predominantly within our United States mechanical construction and facilities services segment, due to improved operating performance by several of our subsidiaries when compared to 2019.

Selling, general and administrative expenses as a percentage of revenues were 10.3% and 9.7% for 2020 and 2019, respectively. The increase in SG&A margin for the year ended December 31, 2020 was primarily due to a reduction in revenues without a commensurate decrease in certain of our overhead costs, including: (a) certain fixed costs within our United States industrial services segment, despite the significant revenue decline within such segment, and (b) the above referenced increase in incentive compensation expense.

Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets

During the second quarter of 2020, we identified certain indicators of impairment resulting from the uncertainties caused by the COVID-19 pandemic and the significant volatility in the price of crude oil. These uncertainties resulted in lower forecasted revenue and operating margin expectations for those of our businesses that are highly dependent on the strength of the oil and gas and related industrial markets, resulting in the recognition, during 2020, of impairment charges totaling \$232.8 million within our United States industrial services segment.

Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating margin for the years ended December 31, 2020 and 2019 (in thousands, except for percentages):

	2020	% of Segment Revenues	2019	% of Segment Revenues
Operating income (loss):				
United States electrical construction and facilities services	\$ 161,810	9.0 %	\$ 147,817	7.5 %
United States mechanical construction and facilities services	292,536	8.4 %	225,040	6.7 %
United States building services	114,159	5.3 %	115,432	5.4 %
United States industrial services	1,175	0.1 %	57,529	4.3 %
Total United States operations	<u>569,680</u>	6.8 %	<u>545,818</u>	6.2 %
United Kingdom building services	20,660	4.8 %	18,323	4.3 %
Corporate administration	(98,542)	—	(101,726)	—
Restructuring expenses	(2,214)	—	(1,523)	—
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	<u>(232,750)</u>	—	<u>—</u>	—
Total operations	<u>256,834</u>	2.9 %	<u>460,892</u>	5.0 %
Other items:				
Net periodic pension (cost) income	2,980		1,553	
Interest expense	(9,009)		(13,821)	
Interest income	1,521		2,265	
Income before income taxes	<u>\$ 252,326</u>		<u>\$ 450,889</u>	

As described in more detail below, operating income was \$256.8 million, or 2.9% of revenues, for the year ended December 31, 2020, compared to operating income of \$460.9 million, or 5.0% of revenues, for the year ended December 31, 2019. Our operating results for 2020 included \$232.8 million of non-cash impairment charges, which negatively impacted the Company's operating margin in 2020 by approximately 270 basis points. Excluding the impact of such impairment charges on our 2020 results, operating income and operating margin for the year ended December 31, 2020 increased by \$28.7 million and 60 basis points, primarily as a result of favorable execution within our United States construction segments. Companies acquired in 2020 and 2019, which are reported in our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, and our United States building services segment, generated incremental operating income of \$15.4 million, inclusive of \$16.0 million of amortization expense associated with identifiable intangible assets, for the year ended December 31, 2020.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2020 was \$161.8 million, or 9.0% of revenues, compared to operating income of \$147.8 million, or 7.5% of revenues, for the year ended December 31, 2019. A company acquired in 2019 contributed incremental operating income of \$1.6 million, inclusive of \$0.1 million of amortization expense associated with identifiable intangible assets, during 2020. The year-over-year increase in operating income and operating margin was largely attributable to an increase in gross profit and gross profit margin given favorable project execution and a more profitable mix of work within this segment during 2020. Improved profitability was experienced within: (a) the commercial market sector, inclusive of several telecommunication construction projects, despite the decrease in revenues within such market sector, (b) the manufacturing market sector, and (c) the transportation market sector, due to the successful completion or close-out of certain projects. These gross profit gains were partially offset by a reduction in gross profit from short duration project activities, given the effects of the COVID-19 pandemic, which led to fewer short duration project opportunities. Operating income of this segment for the year ended December 31, 2020 additionally benefited from a reduction in selling, general and administrative expenses, including a curtailment in certain discretionary spending, such as travel and entertainment costs, and a decrease in employee benefit costs, resulting from a decline in medical claims.

Our United States mechanical construction and facilities services segment's operating income for the year ended December 31, 2020 was \$292.5 million, a \$67.5 million increase compared to operating income of \$225.0 million for the year ended December 31, 2019. Companies acquired in 2019 contributed incremental operating income of \$9.3 million, inclusive of \$12.7 million of amortization expense associated with identifiable intangible assets for the year ended December 31, 2020. Excluding the impact of businesses acquired, annual operating income of this segment increased by approximately \$58.2 million. Despite the disruption caused by the COVID-19 pandemic during 2020, our United States mechanical construction and facilities services segment experienced an increase in gross profit from construction projects within the majority of the market sectors in which we operate. Operating margins within this segment for the years ended December 31, 2020 and 2019 were 8.4% and 6.7%, respectively. The year-over-year increase in operating margin for this segment was attributable to an increase in gross profit margin, primarily within: (a) the manufacturing market sector, driven by certain large food processing construction projects, and (b) the commercial market sector, inclusive of a number of technology and semiconductor projects, which reached substantial completion during the year. The increases in gross profit and gross profit margin were partially offset by an increase in selling, general and administrative expenses, as well as the ratio of selling, general and administrative expenses to revenues, largely as a result of an increase in incentive compensation expense due to the improved year-over-year operating performance and an increase in amortization expense associated with identifiable intangible assets resulting from companies acquired in 2019.

Operating income of our United States building services segment was \$114.2 million in 2020, compared to \$115.4 million in 2019. Operating margin of this segment was 5.3% and 5.4% for 2020 and 2019, respectively. Companies acquired in 2020, which are included within this segment's mobile mechanical services division, contributed incremental operating income of \$4.5 million, inclusive of \$3.2 million of amortization expense associated with identifiable intangible assets. The decrease in segment operating income for the year ended December 31, 2020 was primarily due to a decrease in gross profit resulting from: (a) a reduction in large project activity within our energy services operations, and (b) when excluding the impact of acquired businesses, reduced project and controls activities within our mobile mechanical services operations, largely as a result of the temporary closure of certain customer facilities impacted by the COVID-19 pandemic. These gross profit reductions were partially offset by increased gross profit from service repair and maintenance activities within our mobile mechanical services operations, partially as a result of increased customer demand for certain services aimed at improving the indoor air quality within their facilities. Operating income of this segment additionally benefited from an overall decrease in selling, general and administrative expenses due to certain cost reduction measures enacted during 2020.

Our United States industrial services segment's operating income for the year ended December 31, 2020 was \$1.2 million, or 0.1% of revenues, compared to \$57.5 million, or 4.3% of revenues, for the year ended December 31, 2019. As previously referenced, this segment's results for the year ended December 31, 2020 were severely impacted by adverse macroeconomic factors impacting the oil and gas industry. As a result of such conditions, this segment experienced a reduction in gross profit from both our field services and shop services operations due to: (a) a decrease in demand for our service offerings, (b) the deferral, curtailment, or cancellation of previously scheduled projects with certain customers, and (c) an unfavorable mix of work, which included a greater number of projects with lower than typical gross profit margins. The aforementioned decrease in gross profit was partially offset by a reduction in selling, general and administrative expenses during the year, including: (a) incentive compensation and salaries, (b) employee benefit costs, and (c) certain discretionary spending, such as travel and entertainment costs. The decrease in operating margin for the year ended December 31, 2020 was attributable to a decrease in gross profit margin resulting from the above noted factors, as well as an increase in the ratio of selling, general and administrative expenses to revenues due to a decrease in revenue without a commensurate decrease in certain of this segment's fixed overhead costs.

Our United Kingdom building services segment's operating income for the year ended December 31, 2020 was \$20.7 million, or 4.8% of revenues, which compares favorably to operating income of \$18.3 million, or 4.3% of revenues, for the year ended December 31, 2019. The increase in annual operating income of this segment was primarily a result of incremental gross profit from new maintenance contract awards. Exchange rate movements for the British pound versus the United States dollar did not have a significant impact on this segment's operating income for the twelve months ended December 31, 2020. The year-over-year increase in this segment's operating margin was attributable to an increase in gross profit margin, primarily as a result of a more favorable mix of work, and a decrease in the ratio of selling, general and administrative expenses to revenues.

Our corporate administration expenses were \$98.5 million for 2020 compared to \$101.7 million in 2019. The decrease in corporate administration expenses for the year ended December 31, 2020 was primarily due to: (a) a decrease in long-term incentive compensation expense, (b) a decrease in salary expense as a result of: (i) certain short-term cost cutting measures, including temporary furloughs and salary reductions, and (ii) permanent headcount reductions resulting from the realignment of certain of our back office functions, (c) curtailment in certain discretionary spending, such as travel and entertainment costs, and (d) a reduction in professional fees.

Other items

Interest expense was \$9.0 million and \$13.8 million for 2020 and 2019, respectively. Interest income was \$1.5 million and \$2.3 million for 2020 and 2019, respectively. The decrease in both interest expense and interest income for 2020 resulted from lower interest rates. The decrease in interest expense was partially offset by the impact of higher average outstanding borrowings during 2020.

Our income tax provision for the year ended December 31, 2020 was \$119.4 million based on an income tax rate of 47.3%, compared to an income tax provision and an income tax rate of \$125.7 million and 27.9%, respectively, for the year ended December 31, 2019. Our income tax rate and income tax provision for 2020 were impacted by the tax-effect of the \$232.8 million of non-cash goodwill, identifiable intangible asset, and other long-lived asset impairment charges recorded during 2020, the majority of which was non-deductible for tax purposes.

Liquidity and Capital Resources

The following section discusses our principal liquidity and capital resources, as well as our primary liquidity requirements and sources and uses of cash.

We are focused on the efficient conversion of operating income into cash to provide for the Company's material cash requirements, including working capital needs, investment in our growth strategies through business acquisitions and capital expenditures, satisfaction of contractual commitments, including principal and interest payments on our outstanding indebtedness, and shareholder return through dividend payments and share repurchases. We strive to maintain a balanced approach to capital allocation in order to achieve growth, deliver value, and minimize risk.

Management monitors financial markets and overall economic conditions for factors that may affect our liquidity and capital resources and adjusts our capital allocation strategy as necessary. For example, the uncertainty brought on by the COVID-19 pandemic in 2020 resulted in the temporary suspension of acquisition and share repurchase activity, during portions of such year, while we focused on maintaining operational flexibility. Negative macroeconomic trends could have an adverse effect on future liquidity if we experience delays in the payment of outstanding receivables beyond normal payment terms, an increase in credit losses, or significant increases in the price of commodities or the materials and equipment utilized for our project and service work. In addition, during economic downturns, there have typically been fewer small discretionary projects from the private sector and our competitors have aggressively bid larger long-term infrastructure and public sector contracts. Our liquidity is also impacted by: (a) the type and length of construction contracts in place, as performance of long duration contracts typically requires greater amounts of working capital, (b) the level of turnaround activities within our United States industrial services segment, as such projects are billed in arrears pursuant to contractual terms that are standard within the industry, and (c) the billing terms of our maintenance contracts, including those within our United States and United Kingdom building services segments. While we strive to negotiate favorable billing terms, which allow us to invoice in advance of costs incurred on certain of our contracts, there can be no assurance that such terms will be agreed to by our customers.

As of December 31, 2021, we had cash and cash equivalents, excluding restricted cash, of \$821.3 million, which are maintained in highly liquid investments with original maturity dates of three months or less. Both our short-term and long-term liquidity requirements are expected to be met through our cash and cash equivalent balances, cash generated from our operations, and, if necessary, the borrowing capacity under our revolving credit facility. Our credit agreement provides for a \$1.30 billion revolving credit facility, for which there is \$1.23 billion of available capacity as of December 31, 2021. Refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding our credit agreement. Based upon our current credit rating and financial position, we can also reasonably expect to be able to secure long-term debt financing if required to achieve our strategic objectives; however, no assurances can be made that such debt financing will be available on favorable terms. We believe that we have sufficient financial resources available to meet our short-term and foreseeable long-term liquidity requirements.

Cash Flows

The following table presents our net cash provided by (used in) operating activities, investing activities, and financing activities (in thousands):

	2021	2020
Net cash provided by operating activities	\$ 318,817	\$ 806,366
Net cash used in investing activities	\$ (153,076)	\$ (94,863)
Net cash used in financing activities	\$ (245,456)	\$ (171,907)
(Decrease) increase in cash, cash equivalents, and restricted cash	\$ (80,994)	\$ 543,642

For the year ended December 31, 2021, our cash balance, including cash equivalents and restricted cash, decreased by approximately \$81.0 million from \$903.6 million as of December 31, 2020 to \$822.6 million as of December 31, 2021. Changes in our cash position from December 31, 2020 to December 31, 2021 are described in further detail below. For a discussion of the changes in our cash position from December 31, 2019 to December 31, 2020, refer to the Liquidity and Capital Resources section included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Form 10-K for the year ended December 31, 2020.

Operating Activities – Operating cash flows generally represent our net income as adjusted for certain non-cash items and changes in assets and liabilities. For 2021, net cash provided by operating activities was approximately \$318.8 million compared to approximately \$806.4 million of net cash provided by operating activities in 2020.

The \$487.5 million decrease in operating cash flows during 2021, when compared to 2020, was primarily attributable to strong organic revenue growth in the current year, which resulted in an increase in working capital balances, most notably accounts receivable and contract assets. In addition, operating cash flow in 2020 benefited from the deferral of approximately

\$117.5 million of certain non-income based taxes resulting from various government measures enacted in response to the COVID-19 pandemic, of which approximately \$66 million was repaid in 2021.

Investing Activities – Investing cash flows consist primarily of payments for the acquisition of businesses, capital expenditures, and proceeds from the sale or disposal of property, plant, and equipment. For 2021, we utilized approximately \$153.1 million of cash for investing activities compared to \$94.9 million in 2020. The increase in investing cash flows year-over-year was primarily driven by a \$67.9 million increase in payments for acquisitions, partially offset by a \$11.8 million reduction in capital expenditures.

Financing Activities – Financing cash flows consist primarily of the issuance and repayment of short-term and long-term debt, repurchases of common stock, payment of dividends to stockholders, and the issuance of common stock through certain employee equity plans. Net cash used in financing activities for 2021 was \$245.5 million compared to \$171.9 million in 2020.

The increase in cash used in financing activities in 2021, when compared to 2020, was primarily due to an \$83.0 million increase in funds used for the repurchase of our common stock. During the year ended December 31, 2021, cash payments related to share repurchases were \$195.5 million compared to \$112.6 million for the year ended December 31, 2020. The timing of repurchases is at management's discretion subject to securities laws and other legal requirements and will depend upon several factors, including market and business conditions, future liquidity, share price, and share availability, among others. The repurchase program has been and will be funded from our operations. For additional detail regarding our share repurchase program, refer to Note 12 - Common Stock of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data.

Throughout 2021, we paid a quarterly dividend of \$0.13 per share compared to a quarterly dividend of \$0.08 per share during 2020. For the years ended December 31, 2021 and 2020, cash payments related to dividends were \$28.2 million and \$17.7 million, respectively. Our credit agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.13 per share for the foreseeable future.

Material Cash Requirements from Contractual and Other Obligations

As of December 31, 2021, our short-term and long-term material cash requirements for known contractual and other obligations were as follows:

Outstanding Debt and Interest Payments – As of December 31, 2021, the amount outstanding under our term loan was \$256.7 million. Based on our outstanding balance, we are required to make annual principal payments of \$13.9 million on December 31 of each year until maturity. Any remaining unpaid principal is due on March 2, 2025, when the credit agreement governing our term loan expires. We have no direct borrowings outstanding under our revolving credit facility. In addition to annual principal payments, we are required to make quarterly interest payments on our outstanding indebtedness. Future interest payments will be determined based on prevailing interest rates during that time. Refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further detail of our debt obligations, including our term loan and revolving credit facility.

Operating and Finance Leases – In the normal course of business, we lease real estate, vehicles, and equipment under various arrangements which are classified as either operating or finance leases. Future payments for such leases, excluding leases with initial terms of one year or less, were \$317.8 million at December 31, 2021, with \$69.0 million payable within the next 12 months. Refer to Note 16 - Leases of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further detail surrounding our lease obligations and the timing of expected future payments.

Open Purchase Obligations – As of December 31, 2021, we had \$1.73 billion of open purchase obligations, of which payments totaling approximately \$1.50 billion are expected to become due within the next 12 months. These obligations represent open purchase orders to suppliers and subcontractors related to our construction and services contracts. These purchase orders are not reflected in the Consolidated Balance Sheets and are not expected to impact future liquidity as amounts should be recovered through customer billings.

Insurance Obligations – As described in further detail in Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, we have loss payment deductibles and/or self-insured retentions for certain insurance matters. As of December 31, 2021, our insurance liabilities, net of estimated recoveries, were \$178.6 million. Of this net amount, approximately \$35.2 million is estimated to be payable within the next 12 months. Due to many uncertainties inherent in resolving these matters, it is not practical to estimate these payments beyond such period.

Retirement Plan Obligations – As of December 31, 2021, expected future payments relating to our defined benefit post retirement plans were approximately \$4.6 million per year. We provide funding to our post retirement plans based on at least the minimum funding required by applicable regulations. In determining the minimum funding required, we utilize current actuarial assumptions and exchange rates to forecast amounts that may be payable. In our judgment, minimum funding estimates cannot be reliably estimated beyond a five-year time horizon. Refer to Note 14 - Retirement Plans of the notes to consolidated financial statements in Item 8. Financial Statements and Supplementary Data for further information about our post retirement plans.

Deferred Payroll Taxes – The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) allowed U.S. companies to defer the employer’s portion of social security taxes between March 27, 2020 and December 31, 2020. Our first installment of these deferred social security taxes, totaling approximately \$51 million, was paid in the fourth quarter of 2021 and our second installment of approximately \$51 million is expected to be paid in the fourth quarter of 2022.

Contingent Consideration Liabilities – We have incurred liabilities related to contingent consideration arrangements associated with certain acquisitions, payable in the event discrete performance objectives are achieved by the acquired businesses during designated post-acquisition periods. The aggregate amount of these liabilities can change due to additional business acquisitions, settlement of outstanding liabilities, changes in the fair value of amounts owed based on performance during such post-acquisition periods, and accretion in present value. As of December 31, 2021, the present value of expected future payments relating to these contingent consideration arrangements was \$11.8 million. Of this amount, \$5.6 million is estimated as being payable during 2022, with the remainder due substantially during 2023.

In addition, material cash requirements for other potential obligations, for which we cannot reasonably estimate future payments, include the following:

Legal Proceedings – We are involved in several legal proceedings in which damages and claims have been asserted against us. While litigation is subject to many uncertainties and the outcome of litigation is not predictable with assurance, we do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. Refer to Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for more information regarding legal proceedings.

Multiemployer Benefit Plans – In addition to our Company sponsored benefit plans, we participate in certain multiemployer pension and other post retirement plans. The cost of these plans is equal to the annual required contributions determined in accordance with the provisions of negotiated collective bargaining agreements. During 2021, 2020, and 2019, contributions made to these plans were \$396.5 million, \$360.2 million, and \$369.0 million, respectively; however, our future contributions to the multiemployer plans are dependent upon a number of factors. Amounts of future contributions that we would be contractually obligated to make pursuant to these plans cannot be reasonably estimated. Refer to Note 14 - Retirement Plans of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for more information regarding these multiemployer benefit plans.

Off-Balance Sheet Arrangements and Other Commercial Commitments

The terms of our construction contracts frequently require that we obtain from surety companies, and provide to our customers, surety bonds as a condition to the award of such contracts. These surety bonds are issued in return for premiums, which vary depending on the size and type of the bond, and secure our payment and performance obligations under such contracts. We have agreed to indemnify the surety companies for amounts, if any, paid by them in respect of surety bonds issued on our behalf. As of December 31, 2021, based on the percentage-of-completion of our projects covered by surety bonds, our aggregate estimated exposure, assuming defaults on all our then existing contractual obligations, was approximately \$1.5 billion, which represents approximately 26% of our total remaining performance obligations.

Surety bonds expire at various times ranging from final completion of a project to a period extending beyond contract completion in certain circumstances. Such amounts can also fluctuate from period to period based upon the mix and level of our bonded operating activity. For example, public sector contracts require surety bonds more frequently than private sector contracts and, accordingly, our bonding requirements typically increase as the amount of our public sector work increases. Our estimated maximum exposure as it relates to the value of the surety bonds outstanding is lowered on each bonded project as the cost to complete is reduced, and each commitment under a surety bond generally extinguishes concurrently with the expiration of its related contractual obligation.

Surety bonds are sometimes provided to secure obligations for wages and benefits payable to or for certain of our employees, at the request of labor unions representing such employees. In addition, surety bonds or letters of credit may be issued as collateral for certain insurance obligations. As of December 31, 2021, we satisfied approximately \$48.1 million and \$71.2 million of the collateral requirements of our insurance programs by utilizing surety bonds and letters of credit, respectively. All such letters of credit were issued under our revolving credit facility, therefore reducing the available capacity under such facility.

We are not aware of any losses in connection with surety bonds that have been posted on our behalf, and we do not expect to incur significant losses in the foreseeable future.

From time to time, we discuss with our current and other surety bond providers the amounts of surety bonds that may be available to us based on our financial strength and the absence of any default by us on any surety bond issued on our behalf and believe those amounts are currently adequate for our needs. However, if we experience changes in our bonding relationships or if there are adverse changes in the surety industry, we may: (a) seek to satisfy certain customer requests for surety bonds by posting other forms of collateral in lieu of surety bonds, such as letters of credit, parent company guarantees, or cash, in order to convince customers to forego the requirement for surety bonds, (b) increase our activities in our businesses that rarely require surety bonds, and/or (c) refrain from bidding for certain projects that require surety bonds.

There can be no assurance that we would be able to effectuate alternatives to providing surety bonds to our customers or to obtain, on favorable terms, sufficient additional work that does not require surety bonds. Accordingly, a reduction in the availability of surety bonds could have a material adverse effect on our financial position, results of operations, and/or cash flows.

In the ordinary course of business, we, at times, guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

We do not have any other material financial guarantees or off-balance sheet arrangements other than those disclosed herein.

Other Items

To help mitigate the impacts of greenhouse gas emissions on climate change, EMCOR has established initial carbon-based fuel consumption and greenhouse gas emission reduction targets, and will continue to refine such targets as necessary. Although to date we have not incurred any material costs or capital expenditures associated with achieving our targets, we could be required to expend amounts in future periods as we continue to work towards our goals. During 2021, EMCOR purchased carbon credits totaling nearly 25,000 metric tonnes, for approximately \$0.3 million. It is not possible, at this time, to estimate the impact that future costs and/or capital expenditures may have on our business, financial condition, results of operations, or liquidity.

New Accounting Pronouncements

We review new accounting standards to determine the expected impact, if any, that the adoption of such standards will have on our financial position and/or results of operations. See Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information regarding new accounting standards, including the anticipated dates of adoption and the effects on our consolidated financial position, results of operations, or liquidity.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements is based on the application of significant accounting policies, which require management to make estimates and assumptions. Our significant accounting policies are described further in Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. We base our estimates on historical experience, known or expected trends, third-party valuations, and various other assumptions that we believe to be reasonable under the circumstances. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. There have been no significant changes to our critical accounting policies or methods for the year ended December 31, 2021. We believe the following critical accounting policies govern the more significant judgments and estimates used in the preparation of our financial statements.

Revenue Recognition from Contracts with Customers

For our construction contracts, revenue is generally recognized over time as our performance creates or enhances an asset that the customer controls as it is created or enhanced. Our fixed price construction projects generally use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. For our unit price construction contracts, progress towards complete satisfaction is measured through an output method, such as the number of units produced or delivered, when our performance does not produce significant amounts of work in process or finished goods prior to complete satisfaction of such performance obligations.

For our services contracts, revenue is also generally recognized over time as the customer simultaneously receives and consumes the benefits of our performance as we perform the service. For our fixed price service contracts with specified service periods, revenue is generally recognized on a straight-line basis over such service period when our inputs are expended evenly, and the customer receives and consumes the benefits of our performance throughout the contract term.

The timing of revenue recognition for the manufacturing of new build heat exchangers within our United States industrial services segment depends on the payment terms of the contract, as our performance does not create an asset with an alternative use to us. For those contracts for which we have a right to payment for performance completed to date at all times throughout our performance, inclusive of a cancellation, we recognize revenue over time. For these performance obligations, we use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. However, for those contracts for which we do not have a right, at all times, to payment for performance completed to date, we recognize revenue at the point in time when control is transferred to the customer. For bill-and-hold arrangements, revenue is recognized when the customer obtains control of the heat exchanger, which may be prior to shipping if certain recognition criteria are met.

For certain of our revenue streams, such as call-out repair and service work, outage services, refinery turnarounds, and specialty welding services that are performed under time and materials contracts, our progress towards complete satisfaction of such performance obligations is measured using an output method as the customer receives and consumes the benefits of our performance completed to date.

The nature of our contracts gives rise to several types of variable consideration, including pending change orders and claims; contract bonuses and incentive fees; and liquidated damages and penalties. We recognize revenue for such variable consideration when it is probable, in our judgment, that a significant future reversal in the amount of cumulative revenue recognized under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Company estimates the amount of variable consideration to be included in the transaction price utilizing one of two prescribed methods, depending on which method better predicts the amount of consideration to which the entity will be entitled.

Due to uncertainties inherent in the estimation process, as well as the significant judgment involved in determining variable consideration, it is possible that estimates of costs to complete a performance obligation, and/or our estimates of transaction prices, will be revised in the near-term. For those performance obligations for which revenue is recognized using a cost-to-cost input method, changes in total estimated costs, and related progress towards complete satisfaction of the performance obligation, or changes in the estimate of transaction prices, are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made.

During each of the years ended December 31, 2021, 2020, and 2019, there were no changes in total estimated costs that had a significant impact on our operating results. Additionally, there were no significant amounts of revenue recognized during the years ended December 31, 2021 or 2019 related to performance obligations satisfied in prior periods. During the year ended December 31, 2020, we recognized revenue of \$6.1 million associated with the final settlement of contract value for two projects within our United States electrical construction and facilities services segment that were completed or substantially completed in prior periods. For each of the years ended December 31, 2021, 2020, and 2019, there were no significant reversals of revenue recognized associated with the revision of transaction prices.

Due to the significant judgments utilized in the estimation process described above, if subsequent actual results and/or updated assumptions, estimates, or projections related to our underlying project positions were to change from those utilized at December 31, 2021, it could result in a material impact to our results of operations. For example, a 50 basis point increase or decrease in the estimated gross profit margin on our uncompleted construction projects, in the aggregate, as a result of a revision in estimated costs to complete a performance obligation or a revision in estimated transaction price, would have resulted in an increase or decrease to operating income of approximately \$60 million for the year ended December 31, 2021.

See Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further disclosure regarding revenue recognition.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recognized in the period we deliver goods or provide services to our customers or when our right to consideration is unconditional. The Company maintains an allowance for credit losses to reduce outstanding receivables to their net realizable value. A considerable amount of judgment is required when determining expected credit losses. Estimates of such losses are recorded when we believe a customer, or group of customers, may not be able to meet their financial obligations due to deterioration in financial condition or credit rating. Factors relevant to our assessment include our prior collection history with our customers, the related aging of past due balances, projections of credit losses based on historical trends in credit quality indicators or past events, and forecasts of future economic conditions. In addition to monitoring delinquent accounts, management reviews the credit quality of its receivables by, among other things, obtaining credit ratings of significant customers, assessing economic and market conditions, and evaluating material changes to a customer's business, cash flows, and financial condition.

At December 31, 2021 and 2020, our accounts receivable of \$2,204.5 million and \$1,922.1 million, respectively, were recorded net of allowances for credit losses of \$23.5 million and \$18.0 million, respectively. The increase in our allowance for credit losses was predominantly attributable to our evaluation of specific outstanding receivables within our United States industrial services segment. Allowances for credit losses are based on the best facts available and are reassessed and adjusted on a regular basis as additional information is received. The provision for credit losses during 2021, 2020, and 2019 amounted to approximately \$8.0 million, \$3.3 million, and \$2.6 million, respectively.

Should anticipated collections fail to materialize, or if future economic conditions compare unfavorably to our forecasts, we could experience an increase in our allowances for credit losses. For example, if economic conditions were to significantly deteriorate, such as to those experienced during the last global financial crisis, the portion of our allowance for credit losses, which is estimated based on our historical credit loss experience, could increase by up to approximately \$13.0 million.

Insurance Liabilities

We have loss payment deductibles for certain workers' compensation, automobile liability, general liability, and property claims, have self-insured retentions for certain other casualty claims, and are self-insured for employee-related healthcare claims. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Losses are recorded based upon estimates of our liability for claims incurred and for claims incurred but not reported. The liabilities are derived from known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary to determine the best estimate for the majority of these obligations. We believe the liabilities recognized on the Consolidated Balance Sheets for these obligations are adequate. However, such obligations are difficult to assess and estimate due to numerous factors, including severity of injury, determination of liability in proportion to other parties, timely reporting of occurrences, and effectiveness of safety and risk management programs. Therefore, if our actual experience differs from the assumptions and estimates used for recording the liabilities, adjustments may be required and will be recorded in the period that the experience becomes known. Our estimated net insurance liabilities for workers' compensation, automobile liability, general liability, and property claims increased by \$6.3 million for the year ended December 31, 2021 compared to the year ended December 31, 2020, partially as a result of greater potential exposures, including the impact of acquired companies. If our estimated insurance liabilities for workers' compensation, automobile liability, general liability, and property claims were to increase by 10%, it would have resulted in \$17.9 million of additional expense for the year ended December 31, 2021.

Income Taxes

As of December 31, 2021 and 2020, we had net deferred income tax liabilities of \$51.0 million and \$29.4 million, respectively, primarily resulting from differences between the carrying value and income tax bases of certain identifiable intangible assets, goodwill, and depreciable fixed assets. Included within these net deferred income tax liabilities are \$212.3 million and \$217.1 million of deferred income tax assets as of December 31, 2021 and 2020, respectively. The total valuation allowance on deferred income tax assets was approximately \$2.5 million and \$3.9 million as of December 31, 2021 and 2020, respectively. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based on our taxable income, which has generally exceeded the amount of our net deferred income tax asset balance, as well as current projections of future taxable income, we have determined that it is more likely than not that our net deferred income tax assets will be realized. However, revisions to our forecasts or declining macroeconomic conditions could result in changes to our assessment of the realization of these deferred income tax assets. Refer to Note 11 - Income Taxes of the notes to consolidated financial statements in Item 8. Financial Statements and Supplementary Data for further detail regarding our deferred income taxes.

Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets

Goodwill

As of December 31, 2021 and 2020, we had goodwill of \$890.3 million and \$851.8 million, respectively, arising out of the acquisition of businesses. Goodwill is not amortized but instead allocated to its respective reporting unit and evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of goodwill may be impaired. We have determined that our reporting units are consistent with the reportable segments identified in Note 18 - Segment Information of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. As of December 31, 2021, approximately 17.9% of our goodwill related to our United States electrical construction and facilities services segment, approximately 34.2% related to our United States mechanical construction and facilities services segment, approximately 35.1% related to our United States building services segment, and approximately 12.8% related to our United States industrial services segment.

We performed our annual impairment assessment of all reporting units as of October 1, 2021 and determined there was no impairment of goodwill. Based on these impairment assessments, the fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment exceeded their carrying values by approximately \$1,516.1 million, \$2,772.7 million, \$784.2 million, and \$40.6 million, respectively.

In completing our annual impairment assessment, we determined the fair value of each of our reporting units using an income approach whereby fair value was calculated utilizing discounted estimated future cash flows, assuming a risk-adjusted industry weighted average cost of capital. The weighted average cost of capital used in our annual impairment testing was 10.4% for our United States construction segments and our United States building services segment, and 11.3% for our United States industrial services segment. These weighted average cost of capital estimates were developed with the assistance of an independent third-party valuation specialist and reflect the overall level of inherent risk within the respective reporting unit and the rate of return a market participant would expect to earn.

Our cash flow projections were derived from our most recent internal forecasts of anticipated revenue growth rates and operating margins, with cash flows beyond the discrete forecast period estimated using a terminal value calculation which incorporated historical and forecasted trends, an estimate of long-term growth rates, and assumptions about the future demand for our services. The perpetual growth rate used for our annual testing was 2.0% for all of our reporting units.

Due to the inherent uncertainties involved in making estimates, our assumptions may change in future periods. Estimates and assumptions made for purposes of our goodwill impairment testing may prove to be inaccurate predictions of the future, and other factors used in assessing fair value, such as the weighted average cost of capital, are outside the control of management. Unfavorable changes in certain of these key assumptions may affect future testing results. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$103.6 million, \$185.5 million, \$74.5 million, and \$25.9 million, respectively. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$52.4 million, \$95.9 million, \$35.8 million, and \$9.5 million, respectively. Given the amounts by which the fair value exceeds the carrying value for each of our reporting units, the decreases in estimated fair values described above would not have significantly impacted the results of our impairment tests. Further, for each of our reporting units, other than our United States industrial services segment, a 10% decline in the estimated fair value of such reporting unit, due to other changes in our assumptions, including forecasted future cash flows, would not have significantly impacted the results of our impairment tests. In the case of our United States industrial services segment, however, such a 10% decrease would cause the estimated fair value of this reporting unit to approximate its carrying value.

Identifiable Intangible Assets and Other Long-Lived Assets

As of December 31, 2021 and 2020, net identifiable intangible assets (primarily consisting of our customer relationships, subsidiary trade names, developed technology/vendor network, and contract backlog) arising out of the acquisition of businesses were \$589.4 million and \$582.9 million, respectively. The determination of related estimated useful lives for identifiable intangible assets and whether those assets are impaired involves significant judgments based upon short- and long-term projections of future performance. These forecasts reflect assumptions regarding anticipated macroeconomic conditions as well as our ability to successfully integrate acquired businesses.

Absent earlier indicators of impairment, we test for impairment of subsidiary trade names that are not subject to amortization on an annual basis (October 1). In addition, we review for impairment of identifiable intangible assets that are being amortized as well as other long-lived assets whenever facts and circumstances indicate that their carrying values may not be fully recoverable.

As of October 1, 2021, we performed our annual impairment testing of all subsidiary trade names that are not subject to amortization and determined that there was no impairment of these assets. In performing this impairment assessment, we considered the sensitivity of the reported amounts to the methods, assumptions, and estimates underlying our testing. For example, we performed sensitivity analyses and concluded that, individually, none of the following changes in estimates or assumptions would have significantly impacted the results of our testing or resulted in an impairment of our subsidiary trade names: (a) a 50 basis point increase in the discount rate utilized in our testing, (b) a 50 basis point decline in the perpetual growth rate utilized in our testing, or (c) a 10% decrease in the estimated fair value of each trade name.

With respect to identifiable intangible assets that are being amortized as well as other long-lived assets, we did not identify any circumstances indicating that their carrying values may not be fully recoverable and, therefore, no impairment testing was required for these assets during the year ended December 31, 2021.

Other Considerations

As referenced above, impairment testing is based upon assumptions and estimates determined by management from a review of our operating results and business plans as well as forecasts of anticipated growth rates and margins, among other considerations. In addition, estimates of weighted average costs of capital are developed with the assistance of an independent third-party valuation specialist. These assumptions and estimates may change in future periods, especially in consideration of the uncertainty created by the COVID-19 pandemic and its potential impact on the broader economy and our results of operations in future periods, particularly with respect to our United States industrial services segment. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations.

Refer to Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for further information about our goodwill and identifiable intangible assets as well as our impairment testing, including the \$232.8 million of impairment charges recorded during the year ended December 31, 2020. For the year ended December 31, 2019, no impairment of our goodwill or identifiable intangible assets was recognized.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have not used any derivative financial instruments during the years ended December 31, 2021 and 2020, including trading or speculating on changes in interest rates or commodity prices of materials used in our business.

We are exposed to market risk for changes in interest rates for borrowings under the 2020 Credit Agreement, which provides for a revolving credit facility and a term loan. Borrowings under the 2020 Credit Agreement bear interest at variable rates. For further information on our outstanding debt and borrowing rates, refer to Note 9 - Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. As of December 31, 2021, there were no direct borrowings outstanding under the 2020 Revolving Credit Facility; however, the balance of the 2020 Term Loan was \$256.7 million. Based on the \$256.7 million borrowings outstanding under the 2020 Credit Agreement, if overall interest rates were to increase by 100 basis points, interest expense, net of income taxes, would increase by approximately \$1.9 million in the next twelve months. Conversely, if overall interest rates were to decrease by 100 basis points, interest expense, net of income taxes, would decrease by approximately \$1.9 million in the next twelve months. The 2020 Credit Agreement expires on March 2, 2025.

At the end of 2021, one-week and two-month LIBOR were discontinued. It is expected that the remaining maturities of LIBOR will continue to be published through June 2023. We believe our exposure to market risk associated with the discontinuation of LIBOR is limited as: (a) our 2020 Credit Agreement contains provisions which allow for the use of alternate benchmark rates, (b) we have not historically utilized the maturities that were discontinued in 2021 for any transaction, including borrowings under our 2020 Credit Agreement, and (c) we are not exposed to any other material contracts that reference LIBOR.

We are exposed to construction market risk and its potential related impact on accounts receivable or contract assets on uncompleted contracts. The amounts recorded may be at risk if our customers' ability to pay these obligations is negatively impacted by economic conditions. We continually monitor the creditworthiness of our customers and maintain on-going discussions with customers regarding contract status with respect to change orders and billing terms. Therefore, we believe we take appropriate action to manage market and other risks, but there is no assurance that we will be able to reasonably identify all risks with respect to the collectability of these assets. See also the previous discussion of Accounts Receivable and Allowance for Credit Losses under the heading "Critical Accounting Policies and Estimates" in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Amounts invested in our foreign operations are translated into U.S. dollars at the exchange rates in effect at year end. The resulting translation adjustments are recorded as accumulated other comprehensive (loss) income, a component of equity, in the Consolidated Balance Sheets. We believe our exposure to the effects that fluctuating foreign currencies may have on our consolidated results of operations is limited because our foreign operations primarily invoice customers and collect obligations in their respective local currencies. Additionally, expenses associated with these transactions are generally contracted and paid for in their same local currencies.

In addition, we are exposed to market risk of fluctuations in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our construction, building services, and industrial services operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of approximately 12,000 vehicles. While we believe we can increase our contract prices to adjust for some price increases in commodities, there can be no assurance that such price increases, if they were to occur, would be recoverable. Additionally, our fixed price contracts generally do not allow us to adjust our prices and, as a result, increases in material costs could reduce our profitability with respect to projects in progress. Refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for further discussion regarding the impact of fluctuations in commodity and material prices on our results of operations for the year ended December 31, 2021.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

EMCOR Group, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	December 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 821,345	\$ 902,867
Accounts receivable, less allowance for credit losses of \$23,534 and \$18,031, respectively	2,204,519	1,922,096
Contract assets	230,143	171,956
Inventories	54,098	53,338
Prepaid expenses and other	80,889	70,679
Total current assets	3,390,994	3,120,936
Property, plant and equipment, net	152,066	158,427
Operating lease right-of-use assets	260,778	242,155
Goodwill	890,268	851,783
Identifiable intangible assets, net	589,365	582,893
Other assets	157,975	107,646
Total assets	\$ 5,441,446	\$ 5,063,840
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt and finance lease liabilities	\$ 16,235	\$ 16,910
Accounts payable	734,275	671,886
Contract liabilities	788,134	722,252
Accrued payroll and benefits	490,867	450,955
Other accrued expenses and liabilities	274,406	247,597
Operating lease liabilities, current	57,814	53,632
Total current liabilities	2,361,731	2,163,232
Long-term debt and finance lease liabilities	245,450	259,619
Operating lease liabilities, long-term	220,836	205,362
Other long-term obligations	360,340	382,383
Total liabilities	3,188,357	3,010,596
Equity:		
EMCOR Group, Inc. stockholders' equity:		
Preferred stock, \$0.10 par value, 1,000,000 shares authorized, zero issued and outstanding	—	—
Common stock, \$0.01 par value, 200,000,000 shares authorized, 60,737,006 and 60,571,140 shares issued, respectively	607	606
Capital surplus	61,874	47,464
Accumulated other comprehensive loss	(83,562)	(109,233)
Retained earnings	2,835,504	2,480,321
Treasury stock, at cost 7,437,268 and 5,815,240 shares, respectively	(562,036)	(366,490)
Total EMCOR Group, Inc. stockholders' equity	2,252,387	2,052,668
Noncontrolling interests	702	576
Total equity	2,253,089	2,053,244
Total liabilities and equity	\$ 5,441,446	\$ 5,063,840

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS
For The Years Ended December 31,
(In thousands, except per share data)

	2021	2020	2019
Revenues	\$ 9,903,580	\$ 8,797,061	\$ 9,174,611
Cost of sales	8,401,843	7,401,679	7,818,743
Gross profit	1,501,737	1,395,382	1,355,868
Selling, general and administrative expenses	970,937	903,584	893,453
Restructuring expenses	—	2,214	1,523
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	—	232,750	—
Operating income	530,800	256,834	460,892
Net periodic pension (cost) income	3,625	2,980	1,553
Interest expense	(6,071)	(9,009)	(13,821)
Interest income	949	1,521	2,265
Income before income taxes	529,303	252,326	450,889
Income tax provision	145,602	119,383	125,749
Net income including noncontrolling interests	383,701	132,943	325,140
Net income attributable to noncontrolling interests	169	—	—
Net income attributable to EMCOR Group, Inc.	<u>\$ 383,532</u>	<u>\$ 132,943</u>	<u>\$ 325,140</u>
Basic earnings per common share	<u>\$ 7.09</u>	<u>\$ 2.41</u>	<u>\$ 5.78</u>
Diluted earnings per common share	<u>\$ 7.06</u>	<u>\$ 2.40</u>	<u>\$ 5.75</u>
Dividends declared per common share	<u>\$ 0.52</u>	<u>\$ 0.32</u>	<u>\$ 0.32</u>

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For The Years Ended December 31,
(In thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net income including noncontrolling interests	\$ 383,701	\$ 132,943	\$ 325,140
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(360)	2,088	1,689
Changes in post retirement plans ⁽¹⁾	26,031	(22,033)	(3,315)
Other comprehensive income (loss)	<u>25,671</u>	<u>(19,945)</u>	<u>(1,626)</u>
Comprehensive income	409,372	112,998	323,514
Comprehensive income attributable to noncontrolling interests	169	—	—
Comprehensive income attributable to EMCOR Group, Inc.	<u>\$ 409,203</u>	<u>\$ 112,998</u>	<u>\$ 323,514</u>

(1) Net of tax (provision) benefit of \$(8.7) million, \$5.1 million, and \$0.7 million for the years ended December 31, 2021, 2020, and 2019, respectively.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For The Years Ended December 31,
(In thousands)

	2021	2020	2019
Cash flows - operating activities:			
Net income including noncontrolling interests	\$ 383,701	\$ 132,943	\$ 325,140
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	48,347	46,721	43,945
Amortization of identifiable intangible assets	64,089	59,950	48,142
Provision for credit losses	8,041	3,269	2,628
Deferred income taxes	9,517	(36,354)	1,701
Gain on sale or disposal of property, plant and equipment	(782)	(122)	(3,981)
Excess tax benefits from share-based compensation	(828)	(191)	(984)
Equity loss (income) from unconsolidated entities	1,170	(14)	2,990
Non-cash expense for amortization of debt issuance costs	960	998	1,186
Non-cash expense from contingent consideration arrangements	1,810	649	1,373
Non-cash expense for impairment of goodwill, identifiable intangible assets, and other long-lived assets	—	232,750	—
Non-cash share-based compensation expense	11,107	11,151	11,386
Distributions from unconsolidated entities	44	—	1,074
Changes in operating assets and liabilities, excluding the effect of businesses acquired:			
(Increase) decrease in accounts receivable	(246,856)	139,377	(135,954)
(Increase) decrease in inventories	(116)	(12,709)	4,345
(Increase) decrease in contract assets	(50,648)	7,829	(10,111)
Increase (decrease) in accounts payable	54,849	(9,022)	(33,971)
Increase in contract liabilities	44,713	85,142	51,310
Increase in accrued payroll and benefits and other accrued expenses and liabilities	46,573	113,835	49,551
Changes in other assets and liabilities, net	(56,874)	30,164	(4,070)
Net cash provided by operating activities	318,817	806,366	355,700
Cash flows - investing activities:			
Payments for acquisitions of businesses, net of cash acquired	(118,239)	(50,357)	(300,980)
Proceeds from sale or disposal of property, plant and equipment	2,754	3,463	5,487
Purchases of property, plant and equipment	(36,192)	(47,969)	(48,432)
Investments in and advances to unconsolidated entities	(1,595)	—	(2,252)
Distributions from unconsolidated entities	196	—	838
Net cash used in investing activities	(153,076)	(94,863)	(345,339)
Cash flows - financing activities:			
Proceeds from revolving credit facility	—	200,000	50,000
Repayments of revolving credit facility	—	(250,000)	(25,000)
Proceeds from long-term debt	—	300,000	—
Repayments of long-term debt and debt issuance costs	(13,875)	(286,987)	(15,198)
Repayments of finance lease liabilities	(4,189)	(4,470)	(4,571)
Dividends paid to stockholders	(28,163)	(17,674)	(17,950)
Repurchases of common stock	(195,546)	(112,553)	—
Taxes paid related to net share settlements of equity awards	(4,210)	(2,640)	(6,451)
Issuances of common stock under employee stock purchase plan	7,328	6,557	6,090
Payments for contingent consideration arrangements	(6,758)	(4,070)	(5,917)
Distributions to noncontrolling interests	(43)	(70)	(250)
Net cash used in financing activities	(245,456)	(171,907)	(19,247)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(1,279)	4,046	2,592
(Decrease) increase in cash, cash equivalents, and restricted cash	(80,994)	543,642	(6,294)
Cash, cash equivalents, and restricted cash at beginning of year ⁽¹⁾	903,562	359,920	366,214
Cash, cash equivalents, and restricted cash at end of period ⁽¹⁾	\$ 822,568	\$ 903,562	\$ 359,920

(1) Includes \$1.2 million, \$0.7 million, \$1.1 million, and \$2.3 million of restricted cash classified as “Prepaid expenses and other” in the Consolidated Balance Sheets as of December 31, 2021, 2020, 2019, and 2018, respectively.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF EQUITY
For The Years Ended December 31,
(In thousands)

	EMCOR Group, Inc. Stockholders						
	Total	Common stock	Capital surplus	Accumulated other comprehensive loss ⁽¹⁾	Retained earnings	Treasury stock	Noncontrolling interests
Balance, December 31, 2018	\$ 1,741,441	\$ 601	\$ 21,103	\$ (87,662)	\$ 2,060,440	\$ (253,937)	\$ 896
Net income including noncontrolling interests	325,140	—	—	—	325,140	—	—
Other comprehensive loss	(1,626)	—	—	(1,626)	—	—	—
Common stock issued under share-based compensation plans	—	3	(3)	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(6,451)	—	(6,451)	—	—	—	—
Common stock issued under employee stock purchase plan	6,090	—	6,090	—	—	—	—
Common stock dividends	(17,950)	—	149	—	(18,099)	—	—
Distributions to noncontrolling interests	(250)	—	—	—	—	—	(250)
Share-based compensation expense	11,386	—	11,386	—	—	—	—
Balance, December 31, 2019	\$ 2,057,780	\$ 604	\$ 32,274	\$ (89,288)	\$ 2,367,481	\$ (253,937)	\$ 646
Net income including noncontrolling interests	132,943	—	—	—	132,943	—	—
Other comprehensive loss	(19,945)	—	—	(19,945)	—	—	—
Cumulative-effect adjustment ⁽²⁾	(2,307)	—	—	—	(2,307)	—	—
Common stock issued under share-based compensation plans	2	2	—	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(2,640)	—	(2,640)	—	—	—	—
Common stock issued under employee stock purchase plan	6,557	—	6,557	—	—	—	—
Common stock dividends	(17,674)	—	122	—	(17,796)	—	—
Repurchases of common stock	(112,553)	—	—	—	—	(112,553)	—
Distributions to noncontrolling interests	(70)	—	—	—	—	—	(70)
Share-based compensation expense	11,151	—	11,151	—	—	—	—
Balance, December 31, 2020	\$ 2,053,244	\$ 606	\$ 47,464	\$ (109,233)	\$ 2,480,321	\$ (366,490)	\$ 576
Net income including noncontrolling interests	383,701	—	—	—	383,532	—	169
Other comprehensive income	25,671	—	—	25,671	—	—	—
Common stock issued under share-based compensation plans	—	1	(1)	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(4,210)	—	(4,210)	—	—	—	—
Common stock issued under employee stock purchase plan	7,328	—	7,328	—	—	—	—
Common stock dividends	(28,163)	—	186	—	(28,349)	—	—
Repurchases of common stock	(195,546)	—	—	—	—	(195,546)	—
Distributions to noncontrolling interests	(43)	—	—	—	—	—	(43)
Share-based compensation expense	11,107	—	11,107	—	—	—	—
Balance, December 31, 2021	<u>\$ 2,253,089</u>	<u>\$ 607</u>	<u>\$ 61,874</u>	<u>\$ (83,562)</u>	<u>\$ 2,835,504</u>	<u>\$ (562,036)</u>	<u>\$ 702</u>

(1) Represents cumulative foreign currency translation and post retirement liability adjustments of \$2.5 million and \$(86.1) million, respectively, as of December 31, 2021, \$2.9 million and \$(112.1) million, respectively, as of December 31, 2020, and \$0.8 million and \$(90.1) million, respectively, as of December 31, 2019.

(2) Represents adjustment to retained earnings upon the adoption of Accounting Standards Codification Topic 326.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS

References to the “Company,” “EMCOR,” “we,” “us,” “our” and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries, which specialize principally in providing construction services relating to electrical and mechanical systems in all types of facilities and in providing various services relating to the operation, maintenance, and management of those facilities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries and joint ventures. Significant intercompany accounts and transactions have been eliminated. All investments over which we exercise significant influence, but do not control (a 20% to 50% ownership interest), are accounted for using the equity method of accounting. For joint ventures that have been accounted for using the consolidation method of accounting, noncontrolling interests represent the allocation of earnings to our joint venture partners who either have a minority-ownership interest in the joint venture or are not at risk for the majority of losses of the joint venture.

The results of operations of companies acquired have been included in the results of operations from the date of the respective acquisition.

Principles of Preparation

The preparation of the consolidated financial statements, in conformity with accounting principles generally accepted in the United States, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

Our reportable segments and related disclosures reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings.

Revenue Recognition

Revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Refer to Note 3 - Revenue from Contracts with Customers of the notes to consolidated financial statements for additional information.

Cash and Cash Equivalents

For purposes of the consolidated financial statements, we consider all highly liquid instruments with original maturities of three months or less to be cash equivalents. We maintain a centralized cash management system whereby our excess cash balances are invested in high quality short-term money market instruments, which are considered cash equivalents. We have cash balances in certain of our domestic bank accounts that exceed federally insured limits.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recognized in the period we deliver goods and services to our customers or when our right to consideration is unconditional. The Company maintains an allowance for credit losses to reduce outstanding receivables to their net realizable value. A considerable amount of judgment is required when determining expected credit losses. Estimates of such losses are recorded when we believe a customer, or group of customers, may not be able to meet their financial obligations due to deterioration in financial condition or credit rating. Factors relevant to our assessment include our prior collection history with our customers, the related aging of past due balances, projections of credit losses based on historical trends in credit quality indicators or past events, and forecasts of future economic conditions. In addition to monitoring delinquent accounts, management reviews the credit quality of its receivables by, among other things, obtaining credit ratings of significant customers, assessing economic and market conditions, and evaluating material changes to a customer’s business, cash flows, and financial condition.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At December 31, 2021 and 2020, our accounts receivable of \$2,204.5 million and \$1,922.1 million, respectively, were recorded net of allowances for credit losses of \$23.5 million and \$18.0 million, respectively. The increase in our allowance for credit losses was predominantly attributable to our evaluation of specific outstanding receivables within our United States industrial services segment. Allowances for credit losses are based on the best facts available and are reassessed and adjusted on a regular basis as additional information is received. Should anticipated collections fail to materialize, or if future economic conditions compare unfavorably to our forecasts, we could experience an increase in our credit losses. The provision for credit losses during 2021, 2020, and 2019 amounted to approximately \$8.0 million, \$3.3 million, and \$2.6 million, respectively.

The change in the allowance for credit losses for the year ended December 31, 2021 was as follows (in thousands):

Balance at December 31, 2020	\$ 18,031
Provision for credit losses	8,041
Amounts written off against the allowance, net of recoveries	<u>(2,538)</u>
Balance at December 31, 2021	<u>\$ 23,534</u>

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined principally using the average cost method.

Leases

At the inception of a contract, we determine whether the arrangement is or contains a lease. Leases are classified as either operating or finance, based on our evaluation of certain criteria. With the exception of short-term leases (leases with an initial term of 12 months or less), we record right-of-use assets and corresponding lease liabilities on the Consolidated Balance Sheets for all leases with contractual fixed payments. Lease liabilities are measured at the present value of remaining lease payments, while right-of-use assets are initially set equal to the lease liability, as adjusted for any payments made prior to lease commencement, lease incentives, and any initial direct costs incurred by us. For operating leases, rent expense is recognized on a straight-line basis over the term of the lease, and right-of-use assets are subsequently re-measured to reflect the effect of uneven lease payments. For finance leases, right-of-use assets are amortized on a straight-line basis over the lease term. Expenses for finance leases include the amortization of right-of-use assets, which is recorded as depreciation and amortization expense, and interest expense, which reflects interest accrued on the lease liability.

Short-term leases are not recorded on the Consolidated Balance Sheets but are expensed on a straight-line basis over the lease term. The majority of the Company's short-term leases relate to equipment used on construction projects. Such equipment leases are considered short-term in nature unless it is reasonably certain that the equipment will be leased for a period greater than 12 months.

Refer to Note 16 - Leases of the notes to consolidated financial statements for additional information.

Property, Plant and Equipment

Property, plant and equipment is stated at cost. Depreciation, including amortization of assets under finance leases, is recorded principally using the straight-line method over estimated useful lives of 3 to 10 years for machinery and equipment, 3 to 7 years for vehicles, furniture and fixtures and computer hardware/software, and 25 years for buildings. Leasehold improvements are amortized over the shorter of the remaining lease term or the expected useful life of the improvement.

The carrying values of property, plant and equipment are reviewed for impairment whenever facts and circumstances indicate that the carrying amount may not be fully recoverable. In performing this review for recoverability, property, plant and equipment is assessed for possible impairment by comparing their carrying values to their undiscounted net pre-tax cash flows expected to result from the use of the asset. Impaired assets are written down to their fair values, generally determined based on their estimated future discounted cash flows.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets

Goodwill and indefinite-lived intangible assets, such as trade names, are evaluated at least annually for impairment (each October 1, absent any earlier identified impairment indicators) and are written down if impaired. Identifiable intangible assets with finite lives are amortized over their useful lives and are reviewed for impairment whenever facts and circumstances indicate that their carrying values may not be fully recoverable. See Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements for additional information.

Insurance Liabilities

We have loss payment deductibles for certain workers' compensation, automobile liability, general liability, and property claims, have self-insured retentions for certain other casualty claims, and are self-insured for employee-related healthcare claims. In addition, we maintain a wholly-owned captive insurance subsidiary to manage certain of our insurance liabilities. Losses are recorded based upon estimates of our liability for claims incurred and for claims incurred but not reported. The liabilities are derived from known facts, historical trends, and industry averages, utilizing the assistance of an independent third-party actuary to determine the best estimate for the majority of these obligations. As of December 31, 2021 and 2020, the estimated current portion of such undiscounted insurance liabilities, included in "Other accrued expenses and liabilities" in the accompanying Consolidated Balance Sheets, were \$61.5 million and \$48.2 million, respectively. The estimated non-current portion of such undiscounted insurance liabilities included in "Other long-term obligations" as of December 31, 2021 and 2020 were \$242.4 million and \$192.8 million, respectively. The current portion of anticipated insurance recoveries of \$26.4 million and \$14.4 million as of December 31, 2021 and 2020, respectively, were included in "Prepaid expenses and other" and the non-current portion of anticipated insurance recoveries of \$99.0 million and \$54.3 million as of December 31, 2021 and 2020, respectively, were included in "Other assets" in the accompanying Consolidated Balance Sheets. These balances increased from December 31, 2020 as a result of revised estimates for claims on which we expect substantial coverage by insurance.

Foreign Operations

The financial statements and transactions of our foreign subsidiaries are maintained in their functional currency and translated into U.S. dollars when preparing our consolidated financial statements. Statements of operations, comprehensive income, and cash flows are translated using weighted average monthly exchange rates, while balance sheets are translated at month-end exchange rates. Translation adjustments are recorded as "Accumulated other comprehensive loss," a separate component of "Equity."

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of assets and liabilities as well as for net operating loss and tax credit carryforwards. Deferred income taxes are valued using enacted tax rates expected to be in effect when income taxes are paid or recovered, with the effect of a change in tax laws or rates recognized in the statement of operations in the periods in which such change is enacted. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the period in which those temporary differences become deductible. Deferred income taxes are recorded net of a valuation allowance when it is more likely than not that all or a portion of a deferred tax asset will not be realized. In making such determination, we consider all available evidence, including projections of future taxable income, tax-planning strategies, and recent results of operations.

Tax benefits associated with uncertain tax positions are recognized only if it is more likely than not that the tax position would be sustained on its technical merits. For positions not meeting the "more likely than not" test, no tax benefit is recognized. To the extent interest and penalties may be assessed related to unrecognized tax benefits, we record accruals for such amounts as a component of the income tax provision. We had no unrecognized income tax benefits as of December 31, 2021 and 2020.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Valuation of Share-Based Compensation Plans

Our share-based compensation plans and programs are administered by our Board of Directors or its Compensation and Personnel Committee. See Note 13 - Share-Based Compensation Plans of the notes to consolidated financial statements for additional information regarding these share-based compensation plans and programs.

We recognize all share-based payments issued to acquire goods or services in the statement of operations based on the fair value of such payments. Compensation expense related to share-based awards is generally recognized on a straight-line basis over the requisite service period, which is generally the vesting period. The benefits of tax deductions in excess of recognized compensation expense are recognized in the Consolidated Statements of Operations when the underlying awards vest or are settled.

New Accounting Pronouncements

On January 1, 2021, we adopted the accounting pronouncement issued by the Financial Accounting Standards Board (“FASB”) that simplifies the accounting for income taxes by eliminating certain exceptions to the guidance in Accounting Standards Codification (“ASC”) 740 related to intraperiod tax allocations and the methodology for calculating income taxes in an interim period. The guidance also simplifies aspects of the accounting for franchise taxes as well as enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. The adoption of this accounting pronouncement did not have a material impact on our financial position and/or results of operations.

The Company is currently evaluating the impact of an accounting standards update issued by the FASB, which provides temporary optional expedients and exceptions to existing U.S. GAAP. This guidance is aimed at easing the financial reporting burdens related to reference rate reform, including the expected market transition from LIBOR, or other interbank offered rates, to alternative reference rates. Such accounting pronouncement allows entities to account for and present certain contract modifications, which occur before December 31, 2022 and result from the transition to an alternative reference rate, as an event that does not require remeasurement at the modification date or reassessment of a previous accounting determination. While we are still evaluating the impact of this pronouncement, we do not anticipate that it will have a material impact on our financial position and/or results of operations, as we are not exposed to any contracts that reference LIBOR, other than our credit agreement dated as of March 2, 2020, which contains provisions that allow for the amendment of such agreement to use alternative reference rates in the event of the discontinuation of LIBOR.

In October 2021, an accounting pronouncement was issued by the FASB, which changes how an entity accounts for revenue contracts it acquires in a business combination. The pronouncement requires entities to apply the revenue recognition guidance within ASC 606 to recognize and measure contract assets and liabilities from contracts with customers in a business combination, creating an exception to the fair value recognition and measurement principle typically utilized when valuing acquired assets. The guidance is aimed at improving comparability by addressing when an acquirer should recognize a contract asset or contract liability, as well as how such assets and liabilities should be measured, and will generally result in companies recognizing contract assets and contract liabilities at amounts consistent with those recorded by the target entity prior to acquisition. This guidance is effective for public business entities for fiscal years beginning after December 15, 2022, with early adoption permitted. We are currently evaluating the potential impact of this accounting pronouncement; however, we do not believe that its adoption will have a material impact on our financial position and/or results of operations.

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services by applying the following five step model:

(1) Identify the contract with a customer

A contract with a customer exists when: (a) the parties have approved the contract and are committed to perform their respective obligations, (b) the rights of the parties can be identified, (c) payment terms can be identified, (d) the arrangement has commercial substance, and (e) collectability of consideration is probable. Judgment is required when determining if the contractual criteria are met, specifically in the earlier stages of a project when a formally executed contract may not yet exist. In these situations, the Company evaluates all relevant facts and circumstances, including the existence of other forms of documentation or historical experience with our customers that may indicate a contractual agreement is in place and revenue should be recognized. In determining if the collectability of consideration is probable, the Company considers the customer’s ability and intention to pay such consideration through an evaluation of several factors, including an assessment of the creditworthiness of the customer and our prior collection history with such customer.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

(2) Identify the performance obligations in the contract

At contract inception, the Company assesses the goods or services promised in a contract and identifies, as a separate performance obligation, each distinct promise to transfer goods or services to the customer. The identified performance obligations represent the “unit of account” for purposes of determining revenue recognition. In order to properly identify separate performance obligations, the Company applies judgment in determining whether each good or service provided is: (a) capable of being distinct, whereby the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer, and (b) distinct within the context of the contract, whereby the transfer of the good or service to the customer is separately identifiable from other promises in the contract.

In addition, when assessing performance obligations within a contract, the Company considers the warranty provisions included within such contract. To the extent the warranty terms provide the customer with an additional service, other than assurance that the promised good or service complies with agreed upon specifications, such warranty is accounted for as a separate performance obligation. In determining whether a warranty provides an additional service, the Company considers each warranty provision in comparison to warranty terms which are standard in the industry.

Our contracts are often modified through change orders to account for changes in the scope and price of the goods or services we are providing. Although the Company evaluates each change order to determine whether such modification creates a separate performance obligation, the majority of our change orders are for goods or services that are not distinct within the context of our original contract and, therefore, are not treated as separate performance obligations.

(3) Determine the transaction price

The transaction price represents the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to our customers. The consideration promised within a contract may include fixed amounts, variable amounts, or both. To the extent the performance obligation includes variable consideration, including contract bonuses and penalties that can either increase or decrease the transaction price, the Company estimates the amount of variable consideration to be included in the transaction price utilizing one of two prescribed methods, depending on which method better predicts the amount of consideration to which the entity will be entitled. Such methods include: (a) the expected value method, whereby the amount of variable consideration to be recognized represents the sum of probability-weighted amounts in a range of possible consideration amounts, and (b) the most likely amount method, whereby the amount of variable consideration to be recognized represents the single most likely amount in a range of possible consideration amounts. When applying these methods, the Company considers all information that is reasonably available, including historical, current, and estimates of future performance. The expected value method is typically utilized in situations where a contract contains a large number of possible outcomes while the most likely amount method is typically utilized in situations where a contract has only two possible outcomes.

Variable consideration is included in the transaction price only to the extent it is probable, in the Company’s judgment, that a significant future reversal in the amount of cumulative revenue recognized under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved. This threshold is referred to as the variable consideration constraint. In assessing whether to apply the variable consideration constraint, the Company considers if factors exist that could increase the likelihood or the magnitude of a potential reversal of revenue, including, but not limited to, whether: (a) the amount of consideration is highly susceptible to factors outside of the Company’s influence, such as the actions of third parties, (b) the uncertainty surrounding the amount of consideration is not expected to be resolved for a long period of time, (c) the Company’s experience with similar types of contracts is limited or that experience has limited predictive value, (d) the Company has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances, and (e) the contract has a large number and broad range of possible consideration amounts.

Pending change orders represent one of the most common forms of variable consideration included within contract value and typically represent contract modifications for which a change in scope has been authorized or acknowledged by our customer but the final adjustment to contract price is yet to be negotiated. In estimating the transaction price for pending change orders, the Company considers all relevant facts, including documented correspondence with the customer regarding acknowledgment of and/or agreement with the modification, as well as historical experience with the customer or similar contractual circumstances. Based upon this assessment, the Company estimates the transaction price, including whether the variable consideration constraint should be applied.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Contract claims are another form of variable consideration which is common within our industry. Claim amounts represent revenue that has been recognized for contract modifications that are not submitted or are in dispute as to both scope and price. In estimating the transaction price for claims, the Company considers all relevant facts available. However, given the uncertainty surrounding claims, including the potential long-term nature of dispute resolution and the broad range of possible consideration amounts, there is an increased likelihood that any additional contract revenue associated with contract claims is constrained. The resolution of claims involves negotiations and, in certain cases, litigation. In the event litigation costs are incurred by us in connection with claims, such litigation costs are expensed as incurred, although we may seek to recover these costs.

For some transactions, the receipt of consideration does not match the timing of the transfer of goods or services to the customer. For such contracts, the Company evaluates whether this timing difference represents a financing arrangement within the contract. Although rare, if a contract is determined to contain a significant financing component, the Company adjusts the promised amount of consideration for the effects of the time value of money when determining the transaction price of such contract. Although our customers may retain a portion of the contract price until completion of the project and final contract settlement, these retainage amounts are not considered a significant financing component as the intent of the withheld amounts is to provide the customer with assurance that we will complete our obligations under the contract rather than to provide financing to the customer. In addition, although we may be entitled to advanced payments from our customers on certain contracts, these advanced payments generally do not represent a significant financing component as the payments are used to meet working capital demands that can be higher in the early stages of a contract, as well as to protect us from our customer failing to meet its obligations under the contract.

Changes in the estimates of transaction prices are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. Such changes in estimates can result in the recognition of revenue in a current period for performance obligations which were satisfied or partially satisfied in prior periods. Such changes in estimates may also result in the reversal of previously recognized revenue if the ultimate outcome differs from the Company's previous estimate. There were no significant amounts of revenue recognized during the years ended December 31, 2021 or 2019 related to performance obligations satisfied in prior periods. During the year ended December 31, 2020, we recognized revenue of \$6.1 million associated with the final settlement of the contract value for two projects within our United States electrical construction and facilities services segment that were completed or substantially completed in prior periods. For each of the years ended December 31, 2021, 2020, and 2019, there were no significant reversals of revenue recognized associated with the revision of transaction prices.

(4) Allocate the transaction price to performance obligations in the contract

For contracts that contain multiple performance obligations, the Company allocates the transaction price to each performance obligation based on a relative standalone selling price. The Company determines the standalone selling price based on the price at which the performance obligation would have been sold separately in similar circumstances to similar customers. If the standalone selling price is not observable, the Company estimates the standalone selling price taking into account all available information such as market conditions and internal pricing guidelines. In certain circumstances, the standalone selling price is determined using an expected profit margin on anticipated costs related to the performance obligation.

(5) Recognize revenue as performance obligations are satisfied

The Company recognizes revenue at the time the related performance obligation is satisfied by transferring a promised good or service to its customers. A good or service is considered to be transferred when the customer obtains control. The Company can transfer control of a good or service and satisfy its performance obligations either over time or at a point in time. The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognizes revenue over time if one of the following three criteria are met: (a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as we perform, (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or (c) the Company's performance does not create an asset with an alternative use to us, and we have an enforceable right to payment for performance completed to date.

For our performance obligations satisfied over time, we recognize revenue by measuring the progress toward complete satisfaction of that performance obligation. The selection of the method to measure progress towards completion can be either an input method or an output method and requires judgment based on the nature of the goods or services to be provided.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

For our construction contracts, revenue is generally recognized over time as our performance creates or enhances an asset that the customer controls as it is created or enhanced. Our fixed price construction projects generally use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. For our unit price construction contracts, progress towards complete satisfaction is measured through an output method, such as the number of units produced or delivered, when our performance does not produce significant amounts of work in process or finished goods prior to complete satisfaction of such performance obligations.

For our services contracts, revenue is also generally recognized over time as the customer simultaneously receives and consumes the benefits of our performance as we perform the service. For our fixed price service contracts with specified service periods, revenue is generally recognized on a straight-line basis over such service period when our inputs are expended evenly, and the customer receives and consumes the benefits of our performance throughout the contract term.

The timing of revenue recognition for the manufacturing of new build heat exchangers within our United States industrial services segment depends on the payment terms of the contract, as our performance does not create an asset with an alternative use to us. For those contracts for which we have a right to payment for performance completed to date at all times throughout our performance, inclusive of a cancellation, we recognize revenue over time. For these performance obligations, we use a cost-to-cost input method to measure our progress towards complete satisfaction of the performance obligation as we believe it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. However, for those contracts for which we do not have a right, at all times, to payment for performance completed to date, we recognize revenue at the point in time when control is transferred to the customer. For bill-and-hold arrangements, revenue is recognized when the customer obtains control of the heat exchanger, which may be prior to shipping if certain recognition criteria are met.

For certain of our revenue streams, such as call-out repair and service work, outage services, refinery turnarounds, and specialty welding services that are performed under time and materials contracts, our progress towards complete satisfaction of such performance obligations is measured using an output method as the customer receives and consumes the benefits of our performance completed to date.

Due to uncertainties inherent in the estimation process, it is possible that estimates of costs to complete a performance obligation will be revised in the near-term. For those performance obligations for which revenue is recognized using a cost-to-cost input method, changes in total estimated costs, and related progress towards complete satisfaction of the performance obligation, are recognized on a cumulative catch-up basis in the period in which the revisions to the estimates are made. When the current estimate of total costs for a performance obligation indicate a loss, a provision for the entire estimated loss on the unsatisfied performance obligation is made in the period in which the loss becomes evident. During each of the years ended December 31, 2021, 2020, and 2019, there were no changes in total estimated costs that had a significant impact on our operating results. In addition, there were no significant losses recognized during each of the years ended December 31, 2021, 2020, and 2019.

Disaggregation of Revenues

Our revenues are principally derived from contracts to provide construction services relating to electrical and mechanical systems, as well as to provide a number of building services and industrial services to our customers. Our contracts are with many different customers in numerous industries. Refer to Note 18 - Segment Information of the notes to consolidated financial statements for additional information on how we disaggregate our revenues by reportable segment, as well as a more complete description of our business.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

The following tables provide further disaggregation of our revenues by categories we use to evaluate our financial performance within each of our reportable segments (in thousands):

	2021	% of Total	2020	% of Total	2019	% of Total
United States electrical construction and facilities services:						
Commercial market sector	\$1,059,908	52 %	\$ 963,452	53 %	\$1,078,200	55 %
Manufacturing market sector	226,644	11 %	241,415	13 %	224,913	11 %
Healthcare market sector	106,412	5 %	72,778	4 %	85,088	4 %
Institutional market sector	177,312	9 %	140,837	8 %	120,991	6 %
Transportation market sector	196,313	10 %	192,656	11 %	209,830	11 %
Water and wastewater market sector	14,962	1 %	6,882	1 %	19,888	1 %
Hospitality market sector	15,342	1 %	23,797	1 %	16,985	1 %
Short duration projects ⁽¹⁾	182,614	9 %	142,542	8 %	170,631	9 %
Service work	39,199	2 %	26,858	1 %	38,500	2 %
	<u>2,018,706</u>		<u>1,811,217</u>		<u>1,965,026</u>	
Less intersegment revenues	<u>(3,240)</u>		<u>(5,125)</u>		<u>(3,228)</u>	
Total segment revenues	<u>\$2,015,466</u>		<u>\$1,806,092</u>		<u>\$1,961,798</u>	

	2021	% of Total	2020	% of Total	2019	% of Total
United States mechanical construction and facilities services:						
Commercial market sector	\$1,525,816	39 %	\$1,316,013	38 %	\$1,185,129	36 %
Manufacturing market sector	523,896	13 %	430,365	12 %	533,699	16 %
Healthcare market sector	489,028	12 %	349,235	10 %	304,622	9 %
Institutional market sector	280,463	7 %	377,780	11 %	313,409	9 %
Transportation market sector	84,503	2 %	70,692	2 %	32,686	1 %
Water and wastewater market sector	213,315	6 %	185,996	5 %	202,428	6 %
Hospitality market sector	38,405	1 %	40,079	1 %	35,385	1 %
Short duration projects ⁽¹⁾	308,467	8 %	343,799	10 %	365,721	11 %
Service work	466,860	12 %	378,054	11 %	378,839	11 %
	<u>3,930,753</u>		<u>3,492,013</u>		<u>3,351,918</u>	
Less intersegment revenues	<u>(7,889)</u>		<u>(6,518)</u>		<u>(11,581)</u>	
Total segment revenues	<u>\$3,922,864</u>		<u>\$3,485,495</u>		<u>\$3,340,337</u>	

(1) Represents those projects which generally are completed within three months or less.

	2021	% of Total	2020	% of Total	2019	% of Total
United States building services:						
Mobile mechanical services	\$1,501,919	61 %	\$1,282,803	60 %	\$1,253,209	59 %
Commercial site-based services	680,351	28 %	587,345	28 %	571,345	27 %
Government site-based services	184,272	7 %	167,990	8 %	176,282	8 %
Energy services	102,350	4 %	95,878	4 %	120,825	6 %
Total segment revenues	<u>\$2,468,892</u>		<u>\$2,134,016</u>		<u>\$2,121,661</u>	

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
United States industrial services:						
Field services	\$ 853,143	86 %	\$ 813,872	86 %	\$1,162,321	88 %
Shop services	133,264	14 %	127,023	14 %	165,235	12 %
Total segment revenues	<u>\$ 986,407</u>		<u>\$ 940,895</u>		<u>\$1,327,556</u>	
Total United States operations	<u>\$9,393,629</u>		<u>\$8,366,498</u>		<u>\$8,751,352</u>	
	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>	<u>2019</u>	<u>% of Total</u>
United Kingdom building services:						
Service work	\$ 261,889	51 %	\$ 221,373	51 %	\$ 212,876	50 %
Project work	248,062	49 %	209,190	49 %	210,383	50 %
Total segment revenues	<u>\$ 509,951</u>		<u>\$ 430,563</u>		<u>\$ 423,259</u>	
Total operations	<u>\$9,903,580</u>		<u>\$8,797,061</u>		<u>\$9,174,611</u>	

Contract Assets and Contract Liabilities

The timing of revenue recognition may differ from the timing of invoicing to customers. Contract assets include unbilled amounts from our construction projects when revenues recognized under the cost-to-cost measure of progress exceed the amounts invoiced to our customers, as the amounts are not yet billable under the terms of our contracts. Such amounts are recoverable from our customers based upon various measures of performance, including achievement of certain milestones, completion of specified units, or completion of a contract. In addition, many of our time and materials arrangements, as well as our contracts to perform turnaround services within the United States industrial services segment, are billed in arrears pursuant to contract terms that are standard within the industry, resulting in contract assets and/or unbilled receivables being recorded as revenue is recognized in advance of billings. Also included in contract assets are amounts we seek or will seek to collect from customers or others for errors or changes in contract specifications or design, contract change orders or modifications in dispute or unapproved as to scope and/or price, or other customer-related causes of unanticipated additional contract costs (claims and unapproved change orders). Our contract assets do not include capitalized costs to obtain and fulfill a contract. Contract assets are generally classified as current within the Consolidated Balance Sheets.

As of December 31, 2021 and 2020, contract assets included unbilled revenues for unapproved change orders of approximately \$24.1 million and \$15.3 million, respectively. Contract assets as of December 31, 2021 additionally included \$2.5 million associated with claims. There were no claim amounts included within accounts receivable as of December 31, 2021 or within contract assets or accounts receivable as of December 31, 2020. There were contractually billed amounts and retention related to contracts with unapproved change orders and claims of approximately \$130.7 million and \$87.9 million as of December 31, 2021 and 2020, respectively. For contracts in claim status, contractually billed amounts will generally not be paid by the customer to us until final resolution of the related claims.

Contract liabilities from our construction contracts arise when amounts invoiced to our customers exceed revenues recognized under the cost-to-cost measure of progress. Contract liabilities additionally include advanced payments from our customers on certain contracts. Contract liabilities decrease as we recognize revenue from the satisfaction of the related performance obligation and are recorded as either current or long-term, depending upon when we expect to recognize such revenue. The long-term portion of contract liabilities is included in "Other long-term obligations" in the Consolidated Balance Sheets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Net contract liabilities in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Contract assets, current	\$ 230,143	\$ 171,956
Contract assets, non-current	—	—
Contract liabilities, current	(788,134)	(722,252)
Contract liabilities, non-current	(2,505)	(2,283)
Net contract liabilities	<u>\$ (560,496)</u>	<u>\$ (552,579)</u>

Included within net contract liabilities were \$500.3 million and \$496.8 million of net contract liabilities on uncompleted construction projects as of December 31, 2021 and 2020, respectively, as follows (in thousands):

	December 31, 2021	December 31, 2020
Costs incurred on uncompleted construction contracts	\$ 11,034,038	\$ 10,727,358
Estimated earnings, thereon	1,731,479	1,640,250
	12,765,517	12,367,608
Less: billings to date	13,265,865	12,864,404
	<u>\$ (500,348)</u>	<u>\$ (496,796)</u>

Contract assets and contract liabilities increased by approximately \$8.1 million and \$23.2 million, respectively, as a result of acquisitions made by us in 2021. Excluding the impact of acquisitions, net contract liabilities decreased by approximately \$7.2 million for the year ended December 31, 2021, primarily as a result of the timing of invoicing to customers on our uncompleted construction projects, which, based on the various stages of completion, included a greater percentage of contracts that were recorded in contract asset positions. There was no significant impairment of contract assets recognized during the periods presented.

Contract Retentions

As of December 31, 2021 and 2020, accounts receivable included \$375.3 million and \$323.9 million, respectively, of retainage billed under terms of our contracts. These retainage amounts represent amounts which have been contractually invoiced to customers where payments have been partially withheld pending the achievement of certain milestones, satisfaction of other contractual conditions, or completion of the project. We estimate that approximately 90% of the retainage outstanding as of December 31, 2021 will be collected during 2022.

As of December 31, 2021 and 2020, accounts payable included \$71.1 million and \$59.8 million, respectively, of retainage withheld under terms of our subcontracts. These retainage amounts represent amounts invoiced to the Company by our subcontractors where payments have been partially withheld pending the achievement of certain milestones, satisfaction of other contractual conditions, or upon completion of the project. We estimate that approximately 90% of the retainage outstanding as of December 31, 2021 will be paid during 2022.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Transaction Price Allocated to Remaining Unsatisfied Performance Obligations

The following table presents the transaction price allocated to remaining unsatisfied performance obligations (“remaining performance obligations”) for each of our reportable segments and their respective percentages of total remaining performance obligations (in thousands, except for percentages):

	<u>December 31,</u> <u>2021</u>	<u>% of</u> <u>Total</u>
Remaining performance obligations:		
United States electrical construction and facilities services	\$ 1,210,568	22 %
United States mechanical construction and facilities services	3,320,359	59 %
United States building services	838,324	15 %
United States industrial services	111,838	2 %
Total United States operations	<u>5,481,089</u>	<u>98 %</u>
United Kingdom building services	118,208	2 %
Total operations	<u>\$ 5,599,297</u>	<u>100 %</u>

Our remaining performance obligations at December 31, 2021 were \$5.60 billion. Remaining performance obligations increase with awards of new contracts and decrease as we perform work and recognize revenue on existing contracts. We include a project within our remaining performance obligations at such time the project is awarded and agreement on contract terms has been reached. Our remaining performance obligations include amounts related to contracts for which a fixed price contract value is not assigned when a reasonable estimate of the total transaction price can be made.

Remaining performance obligations include unrecognized revenues to be realized from uncompleted construction contracts. Although many of our construction contracts are subject to cancellation at the election of our customers, in accordance with industry practice, we do not limit the amount of unrecognized revenue included within remaining performance obligations for these contracts as the risk of cancellation is very low due to the inherent substantial economic penalty that our customers would incur upon cancellation or termination. We believe our reported remaining performance obligations for our construction contracts are firm and contract cancellations have not had a material adverse effect on us.

Remaining performance obligations also include unrecognized revenues expected to be realized over the remaining term of service contracts. However, to the extent a service contract includes a cancellation clause which allows for the termination of such contract by either party without a substantive penalty, the remaining contract term, and therefore, the amount of unrecognized revenues included within remaining performance obligations, is limited to the notice period required for the termination.

Our remaining performance obligations are comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business, (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which the variable consideration constraint does not apply, and (e) other forms of variable consideration to the extent that such variable consideration has been included within the transaction price of our contracts. Such claim and other variable consideration amounts were immaterial for all periods presented.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Refer to the table below for additional information regarding our remaining performance obligations, including an estimate of when we expect to recognize such remaining performance obligations as revenue (in thousands):

	<u>Within one year</u>	<u>Greater than one year</u>
Remaining performance obligations:		
United States electrical construction and facilities services	\$ 1,073,432	\$ 137,136
United States mechanical construction and facilities services	2,640,609	679,750
United States building services	751,602	86,722
United States industrial services	111,838	—
Total United States operations	<u>4,577,481</u>	<u>903,608</u>
United Kingdom building services	92,371	25,837
Total operations	<u>\$ 4,669,852</u>	<u>\$ 929,445</u>

NOTE 4 - ACQUISITIONS OF BUSINESSES

Acquisitions are accounted for utilizing the acquisition method of accounting and the prices paid for them are allocated to their respective assets and liabilities based upon the estimated fair value of such assets and liabilities at the dates of their respective acquisition by us.

During 2021, we acquired eight companies for total consideration of \$131.2 million. Such acquisitions include: (a) two companies, the results of operations of which have been included within our United States mechanical construction and facilities services segment, consisting of: (i) a company that provides mechanical services within the Southern region of the United States and (ii) a company that provides fire protection services in the Midwestern region of the United States, (b) two companies that provide electrical construction services for a broad array of customers in the Midwestern region of the United States, the results of operations of which have been included in our United States electrical construction and facilities services segment, and (c) four companies, the results of operations of which have been included within our United States building services segment, consisting of: (i) a company that provides mobile mechanical services across North Texas and (ii) three companies that bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions. In connection with these acquisitions, we acquired working capital of \$22.9 million and other net liabilities of \$0.6 million, including certain deferred tax liabilities, and have preliminarily ascribed \$38.3 million to goodwill and \$70.6 million to identifiable intangible assets.

During 2020, we acquired three companies for total consideration of \$50.3 million. Such acquisitions include: (a) a company that provides building automation and controls solutions within the Northeastern region of the United States, (b) a full service provider of mechanical services in the Washington, D.C. metro area, and (c) a company that provides mobile mechanical services in the Southern region of the United States. The results of operations for all three companies have been included within our United States building services segment. In connection with these acquisitions, we acquired working capital of \$3.0 million and other net liabilities of \$3.9 million and have ascribed \$13.1 million to goodwill and \$38.1 million to identifiable intangible assets.

On November 1, 2019, we completed the acquisition of Batchelor & Kimball, Inc. (“BKI”), a leading full service provider of mechanical construction and maintenance services. This acquisition strengthens our position and broadens our capabilities in the Southern and Southeastern regions of the United States, and the results of its operations have been included within our United States mechanical construction and facilities services segment. Under the terms of the transaction, we acquired 100% of BKI’s outstanding capital stock for total consideration of approximately \$220.3 million. In connection with the acquisition of BKI, we acquired working capital of \$29.8 million and other net assets of \$4.9 million and have ascribed \$43.9 million to goodwill and \$141.7 million to identifiable intangible assets. Goodwill is calculated as the excess of the consideration transferred over the fair value of the net assets acquired and represents the future economic benefits expected from this strategic acquisition. The weighted average amortization period for the identifiable intangible assets, which consist of a trade name, customer relationships, and contract backlog, is approximately 10.5 years.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - ACQUISITIONS OF BUSINESSES (Continued)

In addition to BKI, during 2019, we completed six other acquisitions for total consideration of \$85.4 million. Such acquisitions include: (a) a company that provides electrical contracting services in central Iowa, the results of operations of which have been included within our United States electrical construction and facilities services segment, (b) a company that provides mechanical contracting services in south-central and eastern Texas, the results of operations of which have been included within our United States mechanical construction and facilities services segment, and (c) four companies within our United States building services segment which bolster our presence in geographies where we have existing operations and provide either mobile mechanical services or building automation and controls solutions. In connection with these acquisitions, we acquired working capital of \$25.3 million and other net assets of \$1.3 million and have ascribed \$29.2 million to goodwill and \$29.6 million to identifiable intangible assets.

We expect that the majority of the goodwill acquired in connection with these acquisitions will be deductible for tax purposes. The purchase price allocations for two of the businesses acquired in 2021 are preliminary and subject to change during their respective measurement periods. As we finalize such purchase price allocations, adjustments may be recorded relating to finalization of intangible asset valuations, tax matters, or other items. Although not expected to be significant, such adjustments may result in changes in the valuation of assets and liabilities acquired. The purchase price allocations for the other businesses acquired in 2021 and the businesses acquired in 2020 and 2019 have been finalized during their respective measurement periods with an insignificant impact.

NOTE 5 - EARNINGS PER SHARE

The following tables summarize our calculation of Basic and Diluted Earnings per Common Share (“EPS”) for the years ended December 31, 2021, 2020, and 2019 (in thousands, except share and per share data):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Numerator:			
Net income attributable to EMCOR Group, Inc. common stockholders	\$ 383,532	\$ 132,943	\$ 325,140
Denominator:			
Weighted average shares outstanding used to compute basic earnings per common share	54,068,982	55,196,173	56,208,280
Effect of dilutive securities—Share-based awards	278,552	225,098	311,001
Shares used to compute diluted earnings per common share	54,347,534	55,421,271	56,519,281
Basic earnings per common share	\$ 7.09	\$ 2.41	\$ 5.78
Diluted earnings per common share	\$ 7.06	\$ 2.40	\$ 5.75

The number of outstanding share-based awards excluded from the computation of diluted EPS for the years ended December 31, 2021, 2020, and 2019 because they would be anti-dilutive were 9,250, 24,450, and 4,800, respectively.

NOTE 6 - INVENTORIES

Inventories in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Raw materials and construction materials	\$ 46,186	\$ 42,240
Work in process	7,912	11,098
Inventories	<u>\$ 54,098</u>	<u>\$ 53,338</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Machinery and equipment	\$ 188,022	\$ 176,031
Vehicles	65,946	61,624
Furniture and fixtures	23,698	23,724
Computer hardware/software	108,830	111,846
Land, buildings and leasehold improvements	127,736	124,309
Construction in progress	6,125	7,754
Finance lease right-of-use assets ⁽¹⁾	7,666	9,638
	<u>528,023</u>	<u>514,926</u>
Accumulated depreciation and amortization	<u>(375,957)</u>	<u>(356,499)</u>
	<u>\$ 152,066</u>	<u>\$ 158,427</u>

⁽¹⁾ Finance lease right-of-use assets are recorded net of accumulated amortization.

Depreciation and amortization expense related to property, plant and equipment, including finance leases, was \$48.3 million, \$46.7 million, and \$43.9 million for the years ended December 31, 2021, 2020, and 2019, respectively.

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS

Goodwill

In connection with our acquisition of businesses, we have recorded goodwill, which represents the excess of the consideration transferred over the fair value of the net tangible and identifiable intangible assets acquired. Our goodwill balance at December 31, 2021 and 2020 was \$890.3 million and \$851.8 million, respectively, with goodwill attributable to companies acquired in 2021 and 2020 valued at \$38.3 million and \$13.1 million, respectively. Goodwill is not amortized but instead allocated to its respective reporting unit and evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of goodwill may be impaired. We have determined that our reporting units are consistent with the reportable segments identified in Note 18 - Segment Information of the notes to consolidated financial statements. As of December 31, 2021, approximately 17.9% of our goodwill related to our United States electrical construction and facilities services segment, approximately 34.2% of our goodwill related to our United States mechanical construction and facilities services segment, approximately 35.1% of our goodwill related to our United States building services segment and approximately 12.8% of our goodwill related to our United States industrial services segment.

Absent any earlier identified impairment indicators, we perform our annual goodwill impairment assessment on October 1 each fiscal year. Qualitative indicators that may trigger the need for interim quantitative impairment testing include, among others, deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or an expectation of selling or disposing of a portion of a reporting unit. Additionally, an interim impairment test may be triggered by a significant change in business climate, a loss of a significant customer, increased competition, or a sustained decrease in share price. In assessing whether our goodwill is impaired, we compare the fair value of the reporting unit to its carrying amount, including goodwill. If the fair value exceeds the carrying amount, no impairment is recognized. However, if the carrying amount of the reporting unit exceeds the fair value, the goodwill of the reporting unit is impaired and an impairment loss in the amount of the excess is recognized and charged to operations.

We performed our 2021 annual impairment assessment of all reporting units as of October 1, 2021, and determined there was no impairment of goodwill. In completing our annual impairment assessment, we determined the fair value of each of our reporting units using an income approach whereby fair value was calculated utilizing discounted estimated future cash flows, assuming a risk-adjusted industry weighted average cost of capital. The weighted average cost of capital used in our annual impairment testing was 10.4% for our United States construction segments and our United States building services segment, and 11.3% for our United States industrial services segment. These weighted average cost of capital estimates were developed with the assistance of an independent third-party valuation specialist and reflect the overall level of inherent risk within the respective reporting unit and the rate of return a market participant would expect to earn. Our cash flow projections were derived from our most recent internal forecasts of anticipated revenue growth rates and operating margins, with cash flows beyond the discrete forecast period estimated using a terminal value calculation which incorporated historical and forecasted trends, an estimate of long-term growth rates, and assumptions about the future demand for our services. The perpetual growth rate used for our annual testing was 2.0% for all of our reporting units.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

During the second quarter of 2020, we concluded that the carrying amount of our United States industrial services segment exceeded its fair value, resulting in the recognition of a non-cash goodwill impairment charge of \$225.5 million which was included within our results of operations for the year ended December 31, 2020. An interim impairment assessment was considered necessary as a result of the significant impact the COVID-19 pandemic and concurrent decline in demand for oil and other refined products had on our near term revenue and operating margin expectations for such segment. The valuation methodology utilized in this prior year interim impairment test was consistent with the approach described above. We did not identify indicators of impairment related to any other reporting unit that would have required an interim impairment assessment during 2020 and there was no other impairment of goodwill recognized for the years ended December 31, 2020 or 2019.

Due to the inherent uncertainties involved in making estimates, our assumptions may change in future periods. Estimates and assumptions made for purposes of our goodwill impairment testing may prove to be inaccurate predictions of the future, and other factors used in assessing fair value, such as the weighted average cost of capital, are outside the control of management. Unfavorable changes in certain of these key assumptions may affect future testing results. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$103.6 million, \$185.5 million, \$74.5 million, and \$25.9 million, respectively. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would cause the estimated fair values of our United States electrical construction and facilities services segment, our United States mechanical construction and facilities services segment, our United States building services segment, and our United States industrial services segment to decrease by approximately \$52.4 million, \$95.9 million, \$35.8 million, and \$9.5 million, respectively. Given the amounts by which the fair value exceeds the carrying value for each of our reporting units, the decreases in estimated fair values described above would not have significantly impacted the results of our 2021 impairment tests. Further, for each of our reporting units, other than our United States industrial services segment, a 10% decline in the estimated fair value of such reporting unit, due to other changes in our assumptions, including forecasted future cash flows, would not have significantly impacted the results of our 2021 impairment tests. In the case of our United States industrial services segment, however, such a decrease would cause the estimated fair value of this reporting unit to approximate its carrying value.

The changes in the carrying amount of goodwill by reportable segment during the years ended December 31, 2021 and 2020 were as follows (in thousands):

	United States electrical construction and facilities services segment	United States mechanical construction and facilities services segment	United States building services segment	United States industrial services segment	Total
Balance at December 31, 2019	\$ 142,545	\$ 299,220	\$ 289,158	\$ 332,988	\$ 1,063,911
Acquisitions and purchase price adjustments	—	398	12,974	—	13,372
Impairment	—	—	—	(225,500)	(225,500)
Balance at December 31, 2020	142,545	299,618	302,132	107,488	851,783
Acquisitions and purchase price adjustments	24,467	4,269	9,749	—	38,485
Intersegment transfers	(7,500)	—	900	6,600	—
Balance at December 31, 2021	<u>\$ 159,512</u>	<u>\$ 303,887</u>	<u>\$ 312,781</u>	<u>\$ 114,088</u>	<u>\$ 890,268</u>

The aggregate goodwill balance as of December 31, 2019 included \$268.1 million of accumulated impairment charges, which were comprised of \$139.5 million within the United States building services segment and \$128.6 million within the United States industrial services segment.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

Identifiable Intangible Assets and Other Long-Lived Assets

Our identifiable intangible assets, arising out of the acquisition of businesses, include customer relationships, certain subsidiary trade names, developed technology/vendor network, and contract backlog, all of which are subject to amortization. In addition, our identifiable intangible assets include certain other subsidiary trade names, which are indefinite-lived and therefore not subject to amortization.

Absent earlier indicators of impairment, we test for impairment of subsidiary trade names that are not subject to amortization on an annual basis (October 1). In performing this test, we calculate the fair value of each trade name using the “relief from royalty payments” methodology. This approach involves two steps: (a) estimating reasonable royalty rates for each trade name and (b) applying these royalty rates to a net revenue stream and discounting the resulting cash flows to determine fair value. This fair value is then compared with the carrying value of each trade name. If the carrying amount of the trade name is greater than the implied fair value of the trade name, an impairment in the amount of the excess is recognized and charged to operations. In addition, we review for impairment of identifiable intangible assets that are being amortized as well as other long-lived assets whenever facts and circumstances indicate that their carrying values may not be fully recoverable. This test compares their carrying values to the undiscounted pre-tax cash flows expected to result from the use of the assets. If the assets are impaired, the assets are written down to their fair values, generally determined based on their discounted estimated future cash flows.

For the years ended December 31, 2021 and 2019, no impairment of our indefinite-lived intangible assets, finite-lived intangible assets, or other long-lived assets was recognized.

Given the negative market conditions disclosed above, we evaluated certain of our identifiable intangible assets and other long-lived assets for impairment during the second quarter of 2020. Such assets included those associated with the businesses in our United States industrial services segment. As a result of these assessments, we recorded non-cash impairment charges of \$7.3 million, which were included within our results of operations for the year ended December 31, 2020.

Identifiable intangible assets as of December 31, 2021 and 2020 consisted of the following (in thousands):

	December 31, 2021			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	Total
Customer relationships	\$ 717,666	\$ (374,764)	\$ (4,834)	\$ 338,068
Trade names (unamortized)	274,721	—	(58,933)	215,788
Developed technology/Vendor network	95,661	(69,688)	—	25,973
Trade names (amortized)	32,366	(24,180)	—	8,186
Contract backlog	77,995	(76,645)	—	1,350
Total	<u>\$ 1,198,409</u>	<u>\$ (545,277)</u>	<u>\$ (63,767)</u>	<u>\$ 589,365</u>

	December 31, 2020			
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	Total
Customer relationships	\$ 670,155	\$ (324,426)	\$ (4,834)	\$ 340,895
Trade names (unamortized)	258,471	—	(58,933)	199,538
Developed technology/Vendor network	95,661	(64,994)	—	30,667
Trade names (amortized)	31,516	(23,002)	—	8,514
Contract backlog	72,045	(68,766)	—	3,279
Total	<u>\$ 1,127,848</u>	<u>\$ (481,188)</u>	<u>\$ (63,767)</u>	<u>\$ 582,893</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL, IDENTIFIABLE INTANGIBLE ASSETS, AND OTHER LONG-LIVED ASSETS (Continued)

Identifiable intangible assets attributable to businesses acquired in 2021 and 2020 have been valued at \$70.6 million and \$38.1 million, respectively, and consist of customer relationships, trade names, and contract backlog. See Note 4 - Acquisitions of Businesses of the notes to consolidated financial statements for additional information with respect to acquisitions.

Identifiable intangible assets are amortized in a manner that best approximates the pattern in which the economic benefits of such assets are consumed, which is generally on a straight-line basis. The weighted average amortization periods for the unamortized balances remaining are, in the aggregate, approximately 7.50 years, which are comprised of the following: 7.50 years for customer relationships, 8.50 years for trade names, 5.75 years for developed technology/vendor network, and 0.25 years for contract backlog.

Amortization expense related to identifiable intangible assets with finite lives was \$64.1 million, \$60.0 million, and \$48.1 million for the years ended December 31, 2021, 2020, and 2019, respectively. The following table presents the estimated future amortization expense of identifiable intangible assets in the following years (in thousands):

2022	\$ 57,321
2023	54,891
2024	54,240
2025	53,158
2026	47,382
Thereafter	106,585
	<u>\$ 373,577</u>

Other Considerations

As referenced above, impairment testing is based upon assumptions and estimates determined by management from a review of our operating results and business plans as well as forecasts of anticipated growth rates and margins, among other considerations. In addition, estimates of weighted average costs of capital are developed with the assistance of an independent third-party valuation specialist. These assumptions and estimates may change in future periods, especially in consideration of the uncertainty created by the COVID-19 pandemic and its potential impact on the broader economy and our results of operations in future periods, particularly with respect to our United States industrial services segment. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 - DEBT

Debt in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Term loan, interest payable at varying amounts through 2025	\$ 256,688	\$ 270,563
Unamortized debt issuance costs	(3,040)	(4,000)
Finance lease liabilities	8,037	9,966
Total debt	261,685	276,529
Less: current maturities	16,235	16,910
Total long-term debt	<u>\$ 245,450</u>	<u>\$ 259,619</u>

Credit Agreement

Until March 2, 2020, we had a credit agreement dated as of August 3, 2016, which provided for a \$900.0 million revolving credit facility (the “2016 Revolving Credit Facility”) and a \$400.0 million term loan (the “2016 Term Loan”) (collectively referred to as the “2016 Credit Agreement”). On March 2, 2020, we amended and restated the 2016 Credit Agreement to provide for a \$1.3 billion revolving credit facility (the “2020 Revolving Credit Facility”) and a \$300.0 million term loan (the “2020 Term Loan”) (collectively referred to as the “2020 Credit Agreement”) expiring March 2, 2025. We may increase the 2020 Revolving Credit Facility to \$1.9 billion if additional lenders are identified and/or existing lenders are willing to increase their current commitments. We may allocate up to \$400.0 million of available capacity under the 2020 Revolving Credit Facility to letters of credit for our account or for the account of any of our subsidiaries.

At the Company’s election, borrowings under the 2020 Credit Agreement bear interest at either: (1) a base rate plus a margin of 0.00% to 0.75%, based on certain financial tests, or (2) United States dollar LIBOR (0.10% at December 31, 2021) plus 1.00% to 1.75%, based on certain financial tests. The base rate is determined by the greater of: (a) the prime commercial lending rate announced by Bank of Montreal from time to time (3.25% at December 31, 2021), (b) the federal funds effective rate, plus ½ of 1.00%, (c) the daily one month LIBOR rate, plus 1.00%, or (d) 0.00%. In the event of the discontinuation of LIBOR, our 2020 Credit Agreement contains provisions which allow for the use of alternate benchmark rates. The interest rate in effect at December 31, 2021 was 1.10%. A commitment fee is payable on the average daily unused amount of the 2020 Revolving Credit Facility, which ranges from 0.10% to 0.25%, based on certain financial tests. The fee was 0.10% of the unused amount as of December 31, 2021. Fees for letters of credit issued under the 2020 Revolving Credit Facility range from 0.75% to 1.75% of the respective face amounts of outstanding letters of credit, depending on the nature of the letter of credit, and are computed based on certain financial tests.

As of December 31, 2021 and 2020, the balance of the 2020 Term Loan was \$256.7 million and \$270.6 million, respectively. As of December 31, 2021 and 2020, there were no direct borrowings outstanding under the 2020 Revolving Credit Facility; however, we had \$71.3 million of letters of credit outstanding, which reduce the available capacity under such facility. We capitalized an additional \$3.1 million of debt issuance costs associated with the 2020 Credit Agreement. Debt issuance costs are amortized over the life of the agreement as part of interest expense.

Obligations under the 2020 Credit Agreement are guaranteed by most of our direct and indirect subsidiaries and are secured by substantially all of our assets. The 2020 Credit Agreement contains various covenants providing for, among other things, the maintenance of certain financial ratios and certain limitations on the payment of dividends, common stock repurchases, investments, acquisitions, indebtedness, and capital expenditures. We were in compliance with all such covenants as of December 31, 2021 and 2020.

We are required to make annual principal payments on the 2020 Term Loan. Any voluntary prepayments are applied against the outstanding balance of the loan and reduce our future scheduled payments on a ratable basis. Based on our outstanding balance, principal payments of \$13.9 million are due on December 31 of each year until maturity, with any remaining unpaid principal and interest due on March 2, 2025.

Finance Lease Liabilities

See Note 16 - Leases of the notes to consolidated financial statements for additional information.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 - FAIR VALUE MEASUREMENTS

For disclosure purposes, we utilize a fair value hierarchy to categorize qualifying assets and liabilities into three broad levels based on the priority of the inputs used to determine their fair values. The hierarchy, which gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs, is comprised of the following three levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – Observable inputs, other than Level 1 inputs, that are directly or indirectly observable for the asset or liability, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Unobservable inputs that reflect the reporting entity’s own assumptions.

Recurring Fair Value Measurements

The following tables summarize the assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2021 and 2020 (in thousands):

Asset Category	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 821,345	\$ —	\$ —	\$ 821,345
Restricted cash ⁽²⁾	1,223	—	—	1,223
Deferred compensation plan assets ⁽³⁾	42,344	—	—	42,344
Total	<u>\$ 864,912</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 864,912</u>

Asset Category	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 902,867	\$ —	\$ —	\$ 902,867
Restricted cash ⁽²⁾	695	—	—	695
Deferred compensation plan assets ⁽³⁾	36,491	—	—	36,491
Total	<u>\$ 940,053</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 940,053</u>

(1) Cash and cash equivalents consist of deposit accounts and money market funds with original maturity dates of three months or less, which are Level 1 assets. At December 31, 2021 and 2020, we had \$336.0 million and \$482.2 million, respectively, in money market funds.

(2) Restricted cash is classified as “Prepaid expenses and other” in the Consolidated Balance Sheets. Restricted cash primarily represents cash held in account for use on customer contracts.

(3) Deferred compensation plan assets are classified as “Other assets” in the Consolidated Balance Sheets.

Nonrecurring Fair Value Measurements

We have recorded goodwill and identifiable intangible assets in connection with our business acquisitions. Such assets are measured at fair value at the time of acquisition based on valuation techniques that appropriately represent the methods which would be used by other market participants in determining fair value. In addition, goodwill and intangible assets are tested for impairment using similar valuation methodologies to determine the fair value of such assets. Periodically, we engage an independent third-party valuation specialist to assist with the valuation process, including the selection of appropriate methodologies and the development of market-based assumptions. The inputs used for these nonrecurring fair value measurements represent Level 3 inputs.

Fair Value of Financial Instruments

We believe that the carrying values of our financial instruments, which include accounts receivable and other financing commitments, approximate their fair values due primarily to their short-term maturities and low risk of counterparty default. The carrying value of our debt associated with the 2020 Credit Agreement approximates its fair value due to the variable rate on such debt.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES

For the years ended December 31, 2021, 2020, and 2019, our income tax provision was calculated based on income before income taxes as follows (in thousands):

	2021	2020	2019
United States	\$ 497,421	\$ 228,181	\$ 430,253
Foreign	31,882	24,145	20,636
	<u>\$ 529,303</u>	<u>\$ 252,326</u>	<u>\$ 450,889</u>

Foreign income for each of the years ended December 31, 2021, 2020, and 2019 was predominately earned in the United Kingdom.

The income tax provision for the years ended December 31, 2021, 2020, and 2019 consisted of the following (in thousands):

	2021	2020	2019
Current provision:			
Federal	\$ 95,782	\$ 115,633	\$ 89,264
State and local	35,883	36,182	31,099
Foreign	4,420	3,922	3,685
	<u>136,085</u>	<u>155,737</u>	<u>124,048</u>
Deferred provision (benefit)	9,517	(36,354)	1,701
	<u>\$ 145,602</u>	<u>\$ 119,383</u>	<u>\$ 125,749</u>

For the year ended December 31, 2021, our income tax provision was \$145.6 million compared to \$119.4 million for the year ended December 31, 2020 and \$125.7 million for the year ended December 31, 2019. The increase in the income tax provision for 2021, when compared to 2020, was primarily driven by increased income before income taxes and the effect of certain increases in the deferred state tax provision. The decrease in the income tax provision for 2020, when compared to 2019, was primarily driven by reduced state income taxes, inclusive of a deferred state benefit, resulting from a change in the mix of earnings.

The income tax rates on income before income taxes for the years ended December 31, 2021, 2020, and 2019, were 27.5%, 47.3%, and 27.9%, respectively. The decrease in the 2021 income tax rate, when compared to 2020, and the increase in the 2020 income tax rate, when compared to 2019, was predominantly due to the tax effect, in 2020, of the impairment charges recorded during such year, the majority of which were non-deductible for tax purposes. Refer to Note 8 - Goodwill, Identifiable Intangible Assets, and Other Long-Lived Assets of the notes to consolidated financial statements for further discussion regarding such impairment charges.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES (Continued)

Items accounting for the differences between income taxes computed at the federal statutory rate and the income tax provision for the years ended December 31, 2021, 2020, and 2019 were as follows (in thousands):

	2021	2020	2019
Federal income taxes at the statutory rate	\$ 111,118	\$ 52,989	\$ 94,687
State and local income taxes, net of federal tax benefits	31,257	19,290	24,904
Permanent differences	5,316	5,860	7,149
Non-deductible impairment charges	—	40,165	—
Foreign income taxes (including UK statutory rate changes)	(2,241)	(140)	(170)
Other	152	1,219	(821)
	<u>\$ 145,602</u>	<u>\$ 119,383</u>	<u>\$ 125,749</u>

The minimum tax on global intangible low-taxed income for certain earnings of our foreign subsidiaries was approximately \$0.1 million for each of the years ended December 31, 2021, 2020, and 2019. The Company recognizes such tax as an expense in the period incurred.

As of December 31, 2021, we had undistributed foreign earnings from certain foreign subsidiaries of approximately \$117.1 million. Based on our evaluation, and given that a significant portion of such earnings were subject to tax in prior periods, or are indefinitely reinvested, we have concluded that any taxes associated with the repatriation of such foreign earnings would be immaterial. As of December 31, 2021, the amount of cash held by these foreign subsidiaries was approximately \$113.5 million which, if repatriated, should not result in any material federal or state income taxes.

We file a consolidated federal income tax return including all of our U.S. subsidiaries with the Internal Revenue Service. We additionally file income tax returns with various state, local, and foreign tax agencies. Our income tax returns are subject to audit by various taxing authorities and are currently under examination for the years 2017 through 2019.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was signed into law. The CARES Act provides for various tax relief and tax incentive measures, which did not have a material impact on our results of operations. Certain provisions of the CARES Act, however, did favorably impact our liquidity throughout 2020 as they allowed for the deferral of the employer’s portion of current year Social Security tax payments. Our first installment of these deferred Social Security taxes, totaling approximately \$51 million, was repaid in the fourth quarter of 2021, and our second installment of approximately \$51 million is expected to be paid in the fourth quarter of 2022.

On December 27, 2020, the Consolidated Appropriations Act, 2021, was signed into law. This act provides for tax relief, as well as an omnibus appropriations package that extends various expiring tax provisions and allows for a 100% tax deduction for the cost of business meals in 2021 and 2022. The Consolidated Appropriations Act did not have a material impact on our income tax provision for the year ended December 31, 2021 and is not expected to have a material impact on our income tax provision for the year ending December 31, 2022.

On March 11, 2021, the American Rescue Plan Act was signed into law. Such act includes certain tax provisions that could have an impact on the Company in future periods, including expanded limits on compensation deductions under Section 162(m) of the Internal Revenue Code for tax years beginning after December 31, 2026. We are currently evaluating the impact that this act may have on our financial position and/or results of operations; however, we anticipate that the expanded provisions of Section 162(m) will result in an increase in our income tax rate for years beginning after December 31, 2026.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES (Continued)

Deferred income tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax bases of assets and liabilities. The deferred income tax assets and deferred income tax liabilities recorded as of December 31, 2021 and 2020 were as follows (in thousands):

	December 31, 2021	December 31, 2020
Deferred income tax assets:		
Excess of amounts expensed for financial statement purposes over amounts deducted for income tax purposes:		
Insurance liabilities	\$ 50,316	\$ 47,602
Pension liability	—	6,789
Operating lease liabilities	76,451	68,652
Deferred compensation	40,080	36,790
Accrued federal payroll taxes ⁽¹⁾	14,235	27,428
Other (including liabilities and reserves)	31,252	29,816
Total deferred income tax assets	212,334	217,077
Valuation allowance for deferred tax assets	(2,465)	(3,856)
Net deferred income tax assets	209,869	213,221
Deferred income tax liabilities:		
Costs capitalized for financial statement purposes and deducted for income tax purposes:		
Goodwill and identifiable intangible assets	(154,382)	(146,821)
Operating lease right-of-use assets	(71,759)	(64,434)
Depreciation of property, plant and equipment	(25,341)	(23,958)
Pension asset	(1,847)	—
Other	(7,491)	(7,444)
Total deferred income tax liabilities	(260,820)	(242,657)
Net deferred income tax liabilities	\$ (50,951)	\$ (29,436)

(1) Represents employer Social Security tax payments deferred under the CARES Act.

At December 31, 2021, our net deferred income tax liabilities of \$51.0 million were included in “Other long-term obligations” in the accompanying Consolidated Balance Sheet. At December 31, 2020, the components of our net deferred income tax liabilities in the accompanying Consolidated Balance Sheet were included in “Other assets” in the amount of \$7.4 million and “Other long-term obligations” in the amount of \$36.8 million.

Valuation allowances are established when necessary to reduce deferred income tax assets when it is more likely than not that a tax benefit will not be realized. As of December 31, 2021 and 2020, the total valuation allowance on deferred income tax assets, related to state and local net operating losses and foreign income tax credit carryovers, was approximately \$2.5 million and \$3.9 million, respectively. The reduction in our valuation allowances at December 31, 2021 was a result of our assessment of recent financial performance and updated projections of future earnings for certain of our subsidiaries, which indicated that we would likely be able to utilize all, or a portion of, certain net operating loss carryforwards, for which we had previously established valuation allowances.

Realization of our deferred income tax assets is dependent on our generating sufficient taxable income in the jurisdictions in which such deferred tax assets will reverse. Although realization is not assured, based on current projections of future taxable income, we believe it is more likely than not that the deferred income tax assets, net of the valuation allowance discussed above, will be realized. However, revisions to our forecasts or declining macroeconomic conditions could result in changes to our assessment of the realization of these deferred income tax assets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 - COMMON STOCK

As of December 31, 2021 and 2020, there were 53,299,738 and 54,755,900 shares of our common stock outstanding, respectively.

We have paid quarterly dividends since October 25, 2011. We currently pay a regular quarterly dividend of \$0.13 per share.

In September 2011, our Board of Directors (the “Board”) authorized a share repurchase program allowing us to begin repurchasing shares of our outstanding common stock. Subsequently, the Board has from time to time increased the amount of our common stock that we may repurchase under such program. Since the inception of the repurchase program, the Board has authorized us to repurchase up to \$1.45 billion of our outstanding common stock. During the year ended December 31, 2021, we repurchased approximately 1.6 million shares of our common stock for approximately \$195.5 million. Since the inception of the repurchase program through December 31, 2021, we have repurchased approximately 19.2 million shares of our common stock for approximately \$1.10 billion. As of December 31, 2021, there remained authorization for us to repurchase approximately \$350.4 million of our shares. The repurchase program has no expiration date, does not obligate the Company to acquire any particular amount of common stock, and may be suspended, recommenced, or discontinued at any time or from time to time without prior notice. We may repurchase our shares from time to time to the extent permitted by securities laws and other legal requirements, including provisions in our 2020 Credit Agreement placing limitations on such repurchases. The repurchase program has been and will be funded from our operations.

NOTE 13 - SHARE-BASED COMPENSATION PLANS

We have an incentive plan under which stock awards, stock units, and other share-based compensation may be granted to officers, non-employee directors, and key employees of the Company. During 2020, we amended and restated our incentive plan, eliminating the ability to grant new stock options, until such time, if any, as the plan is subsequently amended to provide for the ability to make such grants. Under the terms of this plan, 3,250,000 shares were authorized, and 895,682 shares remain available for grant or issuance as of December 31, 2021. Any issuances under this plan are valued at the fair market value of our common stock on the grant date. Forfeitures are recognized as they occur.

The following table summarizes activity regarding stock options and restricted stock units since December 31, 2018:

Stock Options			Restricted Stock Units		
	Shares	Weighted Average Price		Shares	Weighted Average Price
Balance, December 31, 2018	40,000	\$ 24.48	Balance, December 31, 2018	476,586	\$ 63.52
Granted	—	—	Granted	169,766	\$ 64.34
Expired	—	—	Forfeited	(2,545)	\$ 71.88
Exercised	(20,000)	\$ 24.48	Vested	(226,229)	\$ 51.64
Balance, December 31, 2019	20,000	\$ 24.48	Balance, December 31, 2019	417,578	\$ 70.24
Granted	—	—	Granted	137,771	\$ 81.56
Expired	—	—	Forfeited	(984)	\$ 79.17
Exercised	(20,000)	\$ 24.48	Vested	(156,447)	\$ 72.72
Balance, December 31, 2020	—	—	Balance, December 31, 2020	397,918	\$ 73.16
Granted	—	—	Granted	129,859	\$ 96.32
Expired	—	—	Forfeited	(2,242)	\$ 78.86
Exercised	—	—	Vested	(121,067)	\$ 77.86
Balance, December 31, 2021	—	—	Balance, December 31, 2021	404,468	\$ 79.16

We recognized approximately \$11.1 million, \$11.2 million, and \$11.4 million of compensation expense for stock units awarded to non-employee directors and employees pursuant to incentive plans for the years ended December 31, 2021, 2020, and 2019, respectively. We have approximately \$9.3 million of compensation expense, net of income taxes, which will be recognized over the remaining vesting periods of up to 3 years. In addition, an aggregate of 67,942 restricted stock units granted to current or former non-employee directors vested as of December 31, 2021, but, at the election of such directors, issuance has been deferred for up to 5 years.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - SHARE-BASED COMPENSATION PLANS (Continued)

The income tax benefit derived in 2021, 2020, and 2019 as a result of share-based compensation was approximately \$2.6 million, \$1.9 million, and \$2.6 million, respectively, of which approximately \$0.8 million, \$0.2 million, and \$1.0 million, respectively, represented excess tax benefits.

The total intrinsic value (the amounts by which the stock price exceeded the exercise price on the date of exercise) of options that were exercised during both 2020 and 2019 was approximately \$1.2 million. There were no options outstanding at December 31, 2021 and 2020, however, the aggregate intrinsic value of options outstanding and exercisable as of December 31, 2019 was approximately \$1.2 million.

We have an employee stock purchase plan. Under the terms of this plan, the maximum number of shares of our common stock that may be purchased is 3,000,000 shares. Generally, our corporate employees and non-union employees of our United States subsidiaries are eligible to participate in this plan. Employees covered by collective bargaining agreements generally are not eligible to participate in this plan.

NOTE 14 - RETIREMENT PLANS

Defined Benefit Plans

The funded status of our defined benefit plans, which represents the difference between the fair value of plan assets and the projected benefit obligations, is recognized in the Consolidated Balance Sheets with a corresponding adjustment to accumulated other comprehensive income (loss). Gains and losses for the differences between actuarial assumptions and actual results are recognized through accumulated other comprehensive income (loss). These amounts will be subsequently recognized as net periodic pension cost (income) within the Consolidated Statement of Operations, as described further below.

Our United Kingdom subsidiary has a defined benefit pension plan covering all eligible employees (the “UK Plan”); however, no individual joining the company after October 31, 2001 may participate in the UK Plan. On May 31, 2010, we curtailed the future accrual of benefits for active employees under such plan.

The change in benefit obligations and assets of the UK Plan for the years ended December 31, 2021 and 2020 consisted of the following components (in thousands):

	2021	2020
Change in pension benefit obligation		
Benefit obligation at beginning of year	\$ 383,142	\$ 322,766
Interest cost	5,326	6,401
Actuarial (gain) loss	(22,071)	50,863
Benefits paid	(13,939)	(10,029)
Foreign currency exchange rate changes	(3,311)	13,141
Benefit obligation at end of year	<u>349,147</u>	<u>383,142</u>
Change in pension plan assets		
Fair value of plan assets at beginning of year	347,411	307,001
Actual return on plan assets	21,809	34,380
Employer contributions	4,956	4,665
Benefits paid	(13,939)	(10,029)
Foreign currency exchange rate changes	(3,705)	11,394
Fair value of plan assets at end of year	<u>356,532</u>	<u>347,411</u>
Funded (unfunded) status at end of year	<u>\$ 7,385</u>	<u>\$ (35,731)</u>

The overfunded status of the UK Plan of \$7.4 million at December 31, 2021 and the underfunded status of the UK Plan of \$35.7 million at December 31, 2020 are included in “Other Assets” and “Other long-term obligations,” respectively, in the accompanying Consolidated Balance Sheets. No plan assets are expected to be returned to us during the year ending December 31, 2022.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

The weighted average assumptions used to determine benefit obligations as of December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Discount rate	1.8 %	1.4 %

The below table shows certain information for the UK Plan, as of December 31, 2020, when the accumulated benefit obligation was in excess of plan assets (in thousands):

	<u>December 31, 2020</u>
Projected benefit obligation	\$ 383,142
Accumulated benefit obligation	\$ 383,142
Fair value of plan assets	\$ 347,411

The components of net periodic pension cost (income) of the UK Plan for the years ended December 31, 2021, 2020, and 2019 were as follows (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Interest cost	\$ 5,326	\$ 6,401	\$ 7,961
Expected return on plan assets	(12,726)	(12,023)	(12,165)
Amortization of unrecognized loss	3,642	2,389	2,342
Net periodic pension cost (income)	<u>\$ (3,758)</u>	<u>\$ (3,233)</u>	<u>\$ (1,862)</u>

The weighted average assumptions used to determine net periodic pension cost for the years ended December 31, 2021, 2020, and 2019 were as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.4 %	2.1 %	2.9 %
Annual rate of return on plan assets	3.9 %	4.3 %	4.9 %

The annual rate of return on plan assets has been determined by modeling possible returns using the actuary's portfolio return calculator and the fair value of plan assets. This approach models the long term expected returns of the various asset classes held in the portfolio and takes into account the additional benefits of holding a diversified portfolio. For measurement purposes of the liability, the annual rates of inflation of covered pension benefits assumed for 2021 and 2020 were 2.9% and 2.5%, respectively.

Amounts not yet reflected in net periodic pension cost and included in accumulated other comprehensive loss were as follows (in thousands):

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Unrecognized actuarial losses	<u>\$ 89,572</u>	<u>\$ 125,020</u>

Actuarial gains and losses are amortized using a corridor approach whereby cumulative gains and losses in excess of the greater of 10% of the pension benefit obligation or the fair value of plan assets are amortized over the average life expectancy of plan participants. The amortization period for 2021 was 24 years.

The reclassification adjustment, net of income taxes, for the UK Plan from accumulated other comprehensive loss into net periodic pension cost was approximately \$2.9 million for the year ended December 31, 2021, and approximately \$1.9 million for the years ended December 31, 2020 and 2019. The estimated unrecognized loss for the UK Plan that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$1.8 million, net of income taxes.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

UK Plan Assets

The investment policies and strategies for the assets of the UK Plan are established by its trustees (who are independent of the Company) to achieve a reasonable balance between risk, likely return, and administration expense, as well as to maintain funds at a level to meet minimum funding requirements. In order to ensure that an appropriate investment strategy is in place, an analysis of the UK Plan's assets and liabilities is completed periodically. Target allocation percentages vary over time depending on the perceived risk and return potential of various asset classes and market conditions. The weighted average asset allocations and weighted average target allocations at December 31, 2021 and 2020 were as follows:

<u>Asset Category</u>	<u>Target Asset Allocation 2021</u>	<u>Actual December 31, 2021</u>	<u>Target Asset Allocation 2020</u>	<u>Actual December 31, 2020</u>
Debt	75.0 %	76.0 %	65.0 %	63.0 %
Equity	— %	— %	15.0 %	12.7 %
Cash and cash equivalents	15.0 %	16.5 %	10.0 %	17.1 %
Real estate	10.0 %	7.5 %	10.0 %	7.2 %
Total	100.0 %	100.0 %	100.0 %	100.0 %

Plan assets of our UK Plan are invested through third-party fund managers in various investments with underlying holdings which, as of December 31, 2021 and 2020, consisted of: (a) cash and cash equivalents, primarily held as collateral for other financial instruments, (b) debt securities, which include United Kingdom government debt and United States, United Kingdom, European, and emerging market corporate debt, and (c) real estate assets, which represent trusts which invest directly or indirectly in various properties throughout the United Kingdom. In addition, investment holdings as of December 31, 2020 contained equity securities, which included marketable equity and equity like instruments across developed global equity markets.

The following tables set forth the fair value of assets of the UK Plan as of December 31, 2021 and 2020 (in thousands):

<u>Asset Category</u>	<u>Assets at Fair Value as of December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Corporate debt funds	\$ —	\$ 67,226	\$ —	\$ 67,226
Government bond funds	—	91,899	—	91,899
Cash and cash equivalents	58,772	—	—	58,772
Total plan assets in fair value hierarchy	<u>\$ 58,772</u>	<u>\$ 159,125</u>	<u>\$ —</u>	<u>217,897</u>
Plan assets measured using NAV as a practical expedient: ⁽¹⁾				
Debt funds				111,971
Real estate funds				26,664
Total plan assets at fair value				<u>\$ 356,532</u>

<u>Asset Category</u>	<u>Assets at Fair Value as of December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Corporate debt funds	\$ —	\$ 65,486	\$ —	\$ 65,486
Government bond funds	—	57,133	—	57,133
Equity funds	—	44,132	—	44,132
Cash and cash equivalents	59,246	—	—	59,246
Total plan assets in fair value hierarchy	<u>\$ 59,246</u>	<u>\$ 166,751</u>	<u>\$ —</u>	<u>225,997</u>
Plan assets measured using NAV as a practical expedient: ⁽¹⁾				
Debt funds				96,196
Real estate funds				25,218
Total plan assets at fair value				<u>\$ 347,411</u>

(1) Certain investments measured using net asset value ("NAV") as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the total fair value of plan assets.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Assets of the UK Plan are allocated within the fair value hierarchy discussed in Note 10 - Fair Value Measurements, based on the nature of the investment. Level 1 assets represent cash and cash equivalents. Level 2 assets consist of corporate debt funds, government bond funds, and equity funds whose underlying investments are valued using observable marketplace inputs. The fair value of the Level 2 assets are generally determined under a market approach using valuation models that incorporate observable inputs such as interest rates, bond yields, and quoted prices.

Investments valued using NAV as a practical expedient are excluded from the fair value hierarchy. These investments include: (a) funds which invest predominantly in senior secured debt instruments, targeting diversity across regions and sectors, as well as funds which invest in diversified credit vehicles that seek higher returns than traditional fixed income, primarily through investments in U.S. corporate debt, global credit, and structured debt, and (b) funds which aim to provide long-term income through investment in UK property assets. These investments are redeemable at NAV on a monthly or quarterly basis and have redemption notice periods of up to 90 days. In addition, certain of these investments are subject to a lockup period of up to 24 months.

The methods described above may produce fair values that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes the valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Cash Flows:

Contributions

Our United Kingdom subsidiary expects to contribute approximately \$4.5 million to the UK Plan in 2022.

Estimated Future Benefit Payments

The following estimated benefit payments are expected to be paid in the following years (in thousands):

	Pension Benefit Payments
2022	\$ 11,266
2023	\$ 11,171
2024	\$ 11,525
2025	\$ 12,099
2026	\$ 12,545
Succeeding five years	\$ 69,416

We also sponsor three domestic retirement plans in which participation by new individuals is frozen. The benefit obligation associated with these plans as of December 31, 2021 and 2020 was approximately \$8.5 million and \$9.2 million, respectively. The estimated fair value of the plan assets as of December 31, 2021 and 2020 was approximately \$6.3 million and \$6.0 million, respectively. The plan assets are considered Level 1 assets within the fair value hierarchy and are predominantly invested in cash, equities, and equity and bond funds. The liability balances as of December 31, 2021 and 2020 are classified as “Other long-term obligations” in the accompanying Consolidated Balance Sheets. The measurement date for these plans is December 31 of each year. The major assumptions used in the actuarial valuations to determine benefit obligations as of December 31, 2021 and 2020 included discount rates of 2.40% to 2.50% for 2021 and 2.00% to 2.25% for 2020. Also, included was an expected rate of return of 7.00% for both 2021 and 2020. The net periodic pension cost associated with the domestic plans was approximately \$0.1 million for the year ended December 31, 2021 and \$0.3 million for each of the years ended December 31, 2020 and 2019. The reclassification adjustment, net of income taxes, from accumulated other comprehensive loss into net periodic pension cost was approximately \$0.3 million for each of the years ended December 31, 2021 and 2020, and approximately \$0.2 million for the year ended December 31, 2019. The estimated loss for these plans that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$0.1 million, net of income taxes. The future estimated benefit payments expected to be paid from the plans for the next ten years is approximately \$0.6 million per year.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Defined Contribution Plans

We have defined contribution retirement and savings plans that cover eligible employees in the United States. Contributions to these plans are based on a percentage of the employee's base compensation. The expenses recognized for employer contributions to these plans were approximately \$33.0 million for the year ended December 31, 2021 and approximately \$32.4 million for each of the years ended December 31, 2020 and 2019. At our discretion and subject to applicable plan documents, we may make additional supplemental matching contributions to one of our defined contribution retirement and savings plans. The expenses recognized related to additional supplemental matching contributions for the years ended December 31, 2021, 2020, and 2019 were approximately \$7.7 million, \$9.1 million, and \$6.8 million, respectively.

Our United Kingdom subsidiary also has defined contribution retirement plans. The expense recognized related to employer matching contributions for the years ended December 31, 2021, 2020, and 2019 was approximately \$8.3 million, \$7.4 million, and \$6.1 million, respectively.

Multiemployer Plans

We participate in approximately 200 multiemployer pension plans ("MEPPs") that provide retirement benefits to certain union employees in accordance with various collective bargaining agreements ("CBAs"). As one of many participating employers in an MEPP, we are potentially liable with the other participating employers for any plan underfunding, either through an increase in our required contributions or, in the case of our withdrawal from the plan, a payment based upon our proportionate share of the plan's unfunded benefits, in each case, as described below. Our contributions to a particular MEPP are established by the applicable CBAs; however, our required contributions may increase based on the funded status of an MEPP and legal requirements of the Pension Protection Act of 2006 (the "PPA"), which requires substantially underfunded MEPPs to implement a funding improvement plan ("FIP") or a rehabilitation plan ("RP") to improve their funded status. Factors that could impact the funded status of an MEPP include, without limitation, investment performance, changes in the participant demographics, decline in the number of contributing employers, changes in actuarial assumptions, and the utilization of extended amortization provisions.

An FIP or RP requires a particular MEPP to adopt measures to correct its underfunding status. These measures may include, but are not limited to: (a) an increase in our contribution rate as a signatory to the applicable CBA, (b) a reallocation of the contributions already being made by participating employers for various benefits to individuals participating in the MEPP, and/or (c) a reduction in the benefits to be paid to future and/or current retirees. In addition, the PPA requires that a 5% surcharge be levied on employer contributions for the first year commencing after the date the employer receives notice that the MEPP is in critical status and a 10% surcharge on each succeeding year until a CBA is in place with terms and conditions consistent with the RP.

We could also be obligated to make payments to MEPPs if we either cease to have an obligation to contribute to the MEPP or significantly reduce our contributions to the MEPP because we reduce our number of employees who are covered by the relevant MEPP for various reasons, including, but not limited to, layoffs or closure of a subsidiary assuming the MEPP has unfunded vested benefits. The amount of such payments (known as a complete or partial withdrawal liability) would equal our proportionate share of the MEPPs' unfunded vested benefits. We believe that certain of the MEPPs in which we participate may have unfunded vested benefits. Due to uncertainty regarding future factors that could trigger withdrawal liability, as well as the absence of specific information regarding the MEPP's current financial situation, we are unable to determine: (a) the amount and timing of a future withdrawal liability, if any, and (b) whether our participation in these MEPPs could have a material adverse impact on our financial position, results of operations, or liquidity. We did not record any withdrawal liability for the years ended December 31, 2021, 2020, and 2019.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

The following table lists all MEPPs to which our contributions exceeded \$2.0 million in 2021. This table also lists all MEPPs to which we contributed in 2021 in excess of \$0.5 million for MEPPs in the critical status, “red zone,” and \$1.0 million for MEPPs in the endangered status, “orange or yellow zones,” as defined by the PPA (in thousands):

Pension Fund	EIN/ Pension Plan Number	PPA Zone Status ⁽¹⁾		FIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions ⁽²⁾	Expiration date or range of expiration dates of CBA(s)
		2021	2020		2021	2020	2019		
National Automatic Sprinkler Industry Pension Fund	52-6054620 001	Green	Red	NA	\$ 20,987	\$ 17,504	\$ 15,924	Yes	March 2022 to August 2025
United Association National Pension Fund (Formerly Plumbers & Pipefitters National Pension Fund)	52-6152779 001	Green	Yellow	NA	14,723	14,095	13,821	No	February 2022 to August 2026
National Electrical Benefit Fund	53-0181657 001	Green	Green	NA	12,310	11,573	16,901	No	April 2022 to May 2026
Pension, Hospitalization & Benefit Plan of the Electrical Industry-Pension Trust Account	13-6123601 001	Green	Green	NA	12,291	11,264	10,075	No	April 2022 to June 2024
Sheet Metal Workers National Pension Fund	52-6112463 001	Yellow	Yellow	Implemented	10,307	11,621	11,713	No	May 2022 to July 2027
Electrical Workers Local No. 26 Pension Trust Fund	52-6117919 001	Green	Green	NA	9,346	7,086	8,434	Yes	May 2022 to July 2024
Sheet Metal Workers Pension Plan of Northern California	51-6115939 001	Red	Red	Implemented	7,850	6,605	6,233	No	June 2022 to June 2026
Plumbers Pipefitters & Mechanical Equipment Service Local Union 392 Pension Plan	31-0655223 001	Red	Red	Implemented	7,110	5,667	6,412	Yes	June 2022
Central Pension Fund of the IUOE & Participating Employers	36-6052390 001	Green	Green	NA	6,627	6,115	6,253	No	March 2022 to December 2024
Southern California Pipe Trades Retirement Fund	51-6108443 001	Green	Green	NA	6,272	4,043	3,274	No	June 2022 to August 2026
Pipefitters Union Local 537 Pension Fund	51-6030859 001	Green	Green	NA	5,922	4,275	4,754	Yes	February 2022 to August 2025
Heating, Piping & Refrigeration Pension Fund	52-1058013 001	Green	Green	NA	5,591	3,349	4,185	No	July 2022
Southern California IBEW-NECA Pension Trust Fund	95-6392774 001	Yellow	Yellow	Implemented	4,876	5,719	6,277	No	June 2022 to May 2026
Edison Pension Plan	93-6061681 001	Green	Green	NA	4,229	3,864	5,361	Yes	December 2023
Electrical Contractors Association of the City of Chicago Local Union 134, IBEW Joint Pension Trust of Chicago Pension Plan 2	51-6030753 002	Green	Green	NA	4,225	3,004	3,204	No	May 2022 to June 2022
Arizona Pipe Trades Pension Trust Fund	86-6025734 001	Green	Green	NA	4,076	4,142	6,071	Yes	May 2022 to June 2024
San Diego Electrical Pension Plan	95-6101801 001	Green	Green	NA	4,068	4,383	3,843	Yes	May 2024
U.A. Local 393 Pension Trust Fund Defined Benefit	94-6359772 002	Green	Green	NA	3,507	3,168	3,858	Yes	June 2022 to June 2024
Boilermaker-Blacksmith National Pension Trust	48-6168020 001	Yellow	Yellow	Implemented	3,479	1,574	1,681	No	April 2022 to September 2024
Sheet Metal Workers Pension Plan of Southern California, Arizona & Nevada	95-6052257 001	Yellow	Yellow	Implemented	3,322	2,706	2,423	No	June 2022 to June 2026
Eighth District Electrical Pension Fund	84-6100393 001	Green	Green	NA	3,298	3,242	3,590	Yes	May 2023 to August 2024
Northern California Pipe Trades Pension Plan	94-3190386 001	Green	Green	NA	2,663	2,463	3,077	No	June 2022 to June 2024

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS (Continued)

Pension Fund	EIN/ Pension Plan Number	PPA Zone Status ⁽¹⁾		FIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions ⁽²⁾	Expiration date or range of expiration dates of CBA(s)
		2021	2020		2021	2020	2019		
Atlanta Plumbers and Steamfitters Pension Fund	58-1233396 001	Green	Green	NA	2,496	1,576	310	Yes	May 2022 to January 2025
NECA-IBEW Pension Trust Fund	51-6029903 001	Green	Green	NA	2,491	2,369	2,528	No	May 2022 to December 2022
IBEW 332 Pension Fund - Part A	94-2688032 004	Green	Green	NA	2,339	1,211	1,633	No	May 2024
U.A. Plumbers Local 24 Pension Fund	22-6042823 001	Green	Green	NA	2,270	2,460	2,460	Yes	April 2025
IBEW Local 595 Pension Plan	94-6279541 001	Green	Green	NA	2,042	569	1,653	No	November 2022 to May 2023
Plumbing & Pipe Fitting Local 219 Pension Fund	34-6682376 001	Red	Red	Implemented	1,167	1,680	1,937	Yes	May 2022 to May 2025
Plumbers & Pipefitters Local 162 Pension Fund	31-6125999 001	Yellow	Yellow	Implemented	1,034	969	1,124	Yes	May 2022
Steamfitters Local Union No. 420 Pension Plan	23-2004424 001	Red	Red	Implemented	677	553	641	No	May 2022 to April 2024
South Florida Electrical Workers Pension Plan and Trust	59-6230530 001	Red	Red	Implemented	594	261	323	No	August 2022
Carpenters Pension Trust Fund for Northern California	94-6050970 001	Red	Red	Implemented	568	385	435	No	June 2023
Other Multiemployer Pension Plans					55,315	54,587	55,070		Various
Total Contributions					<u>\$228,072</u>	<u>\$204,082</u>	<u>\$215,478</u>		

- (1) The zone status represents the most recent available information for the respective MEPP, which may be 2020 or earlier for the 2021 year and 2019 or earlier for the 2020 year. In general, plans with a “green” zone status have a funding ratio of at least 80%, plans with an “orange” or “yellow” zone status have a funding ratio of between 65% and less than 80%, and plans with a “red” zone status are less than 65% funded.
- (2) This information was obtained from the respective plan’s Form 5500 (“Forms”) for the most current available filing. These dates may not correspond with our fiscal year contributions. The percentages of contributions are based upon disclosures contained in the plans’ Forms. Those Forms, among other things, disclose the names of individual participating employers whose annual contributions account for more than 5% of the aggregate annual amount contributed by all participating employers for a plan year. Accordingly, if the annual contribution of two or more of our subsidiaries each accounted for less than 5% of such contributions, but in the aggregate accounted for in excess of 5% of such contributions, that greater percentage is not available and accordingly is not disclosed.

The nature and diversity of our operations may result in volatility in the amount of our contributions to a particular MEPP for any given period. That is because, in any given market, a change in the mix, volume of, or size of our projects could result in a change in our direct labor force and a corresponding change in our contributions to the MEPP(s) dictated by the applicable CBA. Additionally, the amount of contributions to a particular MEPP could also be affected by the terms of the CBA, which could require at a particular time, an increase in the contribution rate and/or surcharges. Acquisitions made by us since 2019 have resulted in incremental contributions to various MEPPs of approximately \$3.8 million.

Additionally, we contribute to certain multiemployer plans that provide post retirement benefits such as health and welfare benefits and/or defined contribution/annuity plans, among others. Our contributions to these plans were approximately \$168.4 million, \$156.1 million, and \$153.5 million for the years ended December 31, 2021, 2020, and 2019, respectively. Acquisitions made by us since 2019 have resulted in incremental contributions to such other post retirement benefit plans of approximately \$2.9 million. The amount of contributions to these plans is also subject, for the most part, to the factors discussed above in conjunction with the MEPPs.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Severance Agreements

We have agreements with our executive officers and certain other key management personnel providing for severance benefits for such employees upon termination of their employment under certain circumstances.

Guarantees

In the ordinary course of business, we, at times, guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

Surety Bonds

The terms of our construction contracts frequently require that we obtain from surety companies, and provide to our customers, surety bonds as a condition to the award of such contracts. These surety bonds are issued in return for premiums, which vary depending on the size and type of the bond, and secure our payment and performance obligations under such contracts. We have agreed to indemnify the surety companies for amounts, if any, paid by them in respect of surety bonds issued on our behalf. As of December 31, 2021, based on the percentage-of-completion of our projects covered by surety bonds, our aggregate estimated exposure, assuming defaults on all our then existing contractual obligations, was approximately \$1.5 billion, which represents approximately 26% of our total remaining performance obligations.

Surety bonds are sometimes provided to secure obligations for wages and benefits payable to or for certain of our employees, at the request of labor unions representing such employees. In addition, surety bonds may be issued as collateral for certain insurance obligations. As of December 31, 2021, we satisfied approximately \$48.1 million of the collateral requirements of our insurance programs by utilizing surety bonds.

We are not aware of any losses in connection with surety bonds that have been posted on our behalf, and we do not expect to incur significant losses in the foreseeable future.

Hazardous Materials

We are subject to regulation with respect to the handling of certain materials used in construction, which are classified as hazardous or toxic by federal, state, and local agencies. Our practice is to avoid participation in projects principally involving the remediation or removal of such materials. However, when remediation is required as part of our contract performance, we believe we comply with all applicable regulations governing the discharge of hazardous materials into the environment or otherwise relating to the protection of the environment.

Collective Bargaining Agreements

At December 31, 2021, we employed approximately 34,000 people, approximately 60% of whom are represented by various unions pursuant to nearly 450 collective bargaining agreements between our individual subsidiaries or trade associations and local unions, as well as two collective bargaining agreements that are national or regional in scope. We believe that our relations with our labor unions are generally positive.

Government Contracts

As a government contractor, we are subject to U.S. government audits and investigations relating to our operations, which such audits may result in fines, penalties and compensatory and treble damages, and possible suspension or debarment from doing business with the government. Based on currently available information, we believe the outcome of ongoing government disputes and investigations will not have a material impact on our financial position, results of operations, or liquidity.

Legal Proceedings

We are involved in several legal proceedings in which damages and claims have been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations, or liquidity. We record a loss contingency if the potential loss from a proceeding or claim is considered probable and the amount can be reasonably estimated or a range of loss can be determined. We provide disclosure when it is reasonably possible that a loss will be incurred in excess of any recorded provision. Significant judgment is required in these determinations. As additional information becomes available, we reassess prior determinations and may change our estimates. Additional claims may be asserted against us in the future. Litigation is subject to many uncertainties, and the outcome of litigation is not predictable with assurance. It is possible that a litigation matter for which liabilities have not been recorded could be decided unfavorably to us, and that any such unfavorable decision could have a material adverse effect on our financial position, results of operations, or liquidity.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES

We lease real estate, vehicles, and equipment under various arrangements which are classified as either operating or finance leases. A lease exists when a contract or part of a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In determining whether a lease exists, we consider whether a contract provides us with both: (a) the right to obtain substantially all of the economic benefits from the use of the identified asset and (b) the right to direct the use of the identified asset.

Many of our leases include base rental periods coupled with options to renew or terminate the lease, generally at our discretion. Certain leases additionally include options to purchase the leased asset. In evaluating the lease term, we consider whether we are reasonably certain to exercise such options. To the extent a significant economic incentive exists to exercise an option, that option is included within the lease term. However, based on the nature of our lease arrangements, options generally do not provide us with a significant economic incentive and are therefore excluded from the lease term for the majority of our arrangements.

Our leases typically include a combination of fixed and variable payments. Fixed payments are generally included when measuring the right-of-use asset and lease liability. Variable payments, which primarily represent payments based on usage of the underlying asset, are generally excluded from such measurement and expensed as incurred. In addition, certain of our lease arrangements may contain a lease coupled with an arrangement to provide other services, such as maintenance, or may require us to make other payments on behalf of the lessor related to the leased asset, such as payments for taxes or insurance. We account for these non-lease components together with the associated lease component for each of our asset classes.

The measurement of right-of-use assets and lease liabilities requires us to estimate appropriate discount rates. To the extent the rate implicit in the lease is readily determinable, such rate is utilized. However, based on information available at lease commencement for the majority of our leases, the rate implicit in the lease is not known. In these instances, we utilize an incremental borrowing rate, which represents the rate of interest that we would pay to borrow on a collateralized basis, over a similar term, an amount equal to the lease payments.

Our lease arrangements generally do not contain significant restrictions or covenants; however, certain of our vehicle and equipment leases include residual value guarantees, whereby we provide a guarantee to the lessor that the value of the underlying asset will be at least a specified amount at the end of the lease. Amounts probable of being owed under these guarantees are included within the measurement of the right-of-use asset and lease liability.

Lease Position

The following table presents our lease-related assets and liabilities as of December 31, 2021 and 2020 (in thousands):

Classification on the Consolidated Balance Sheet		December 31, 2021	December 31, 2020
Assets			
Operating lease assets	Operating lease right-of-use assets	\$ 260,778	\$ 242,155
Finance lease assets	Property, plant and equipment, net	7,666	9,638
Total lease assets		<u>\$ 268,444</u>	<u>\$ 251,793</u>
Liabilities			
Current			
Operating	Operating lease liabilities, current	\$ 57,814	\$ 53,632
Finance	Current maturities of long-term debt and finance lease liabilities	3,320	3,995
Noncurrent			
Operating	Operating lease liabilities, long-term	220,836	205,362
Finance	Long-term debt and finance lease liabilities	4,717	5,971
Total lease liabilities		<u>\$ 286,687</u>	<u>\$ 268,960</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES (Continued)

Lease Costs

The following table presents information related to our lease expense for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Finance lease expense:			
Amortization expense	\$ 4,255	\$ 4,562	\$ 4,575
Interest expense	255	355	427
Operating lease expense	70,928	69,208	66,650
Short-term lease expense ⁽¹⁾	150,500	139,706	149,528
Variable lease expense	5,421	5,441	4,924
Total lease expense	\$ 231,359	\$ 219,272	\$ 226,104

(1) Short-term lease expense includes both leases and rentals with initial terms of one year or less and predominantly represents equipment used on construction projects.

Sublease rental income was approximately \$0.2 million for the year ended December 31, 2021, and \$0.5 million for each of the years ended December 31, 2020 and 2019.

Lease Term and Discount Rate

The following table presents certain information related to the lease terms and discount rates for our leases as of December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
Weighted-average remaining lease term:		
Operating leases	6.4 years	6.6 years
Finance leases	2.9 years	3.1 years
Weighted-average discount rate:		
Operating leases	3.20 %	3.59 %
Finance leases	2.61 %	3.24 %

Other Information

The following table presents supplemental cash flow information related to our leases for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows used for operating leases	\$ 69,797	\$ 65,016	\$ 65,757
Operating cash flows used for finance leases	\$ 255	\$ 355	\$ 427
Financing cash flows used for finance leases	\$ 4,189	\$ 4,470	\$ 4,571
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 80,661	\$ 55,895	\$ 84,089
Right-of-use assets obtained in exchange for new finance lease liabilities	\$ 2,301	\$ 4,558	\$ 5,311

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 16 - LEASES (Continued)

Maturity of Lease Liabilities

The following table reconciles our future minimum lease payments on an undiscounted cash flow basis to our lease liabilities reported in the Consolidated Balance Sheet as of December 31, 2021 (in thousands):

	Operating Leases	Finance Leases
2022	\$ 65,528	\$ 3,469
2023	56,229	2,238
2024	45,037	1,742
2025	36,077	705
2026	29,044	140
Thereafter	77,556	10
Total minimum lease payments	309,471	8,304
Less: Amount of lease payments representing interest	(30,821)	(267)
Present value of future minimum lease payments	<u>\$ 278,650</u>	<u>\$ 8,037</u>
Current portion of lease liabilities	\$ 57,814	\$ 3,320
Noncurrent portion of lease liabilities	220,836	4,717
Present value of future minimum lease payments	<u>\$ 278,650</u>	<u>\$ 8,037</u>

NOTE 17 - ADDITIONAL CASH FLOW INFORMATION

The following table presents information about cash paid for interest and income taxes for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Cash paid during the year for:			
Interest	\$ 5,259	\$ 8,289	\$ 12,683
Income taxes	\$ 130,811	\$ 145,386	\$ 126,169

NOTE 18 - SEGMENT INFORMATION

We are one of the largest specialty contractors in the United States and a leading provider of electrical and mechanical construction and facilities services, building services, and industrial services. Our services are provided to a broad range of commercial, industrial, utility, and institutional customers through approximately 90 operating subsidiaries. Such operating subsidiaries are organized into the following reportable segments:

- United States electrical construction and facilities services;
- United States mechanical construction and facilities services;
- United States building services;
- United States industrial services; and
- United Kingdom building services.

For a more complete description of our operations, refer to Item 1. Business.

Our reportable segments reflect certain reclassifications of prior year amounts from our United States electrical construction and facilities services segment to our United States industrial services and our United States building services segments due to changes in our internal reporting structure aimed at realigning our service offerings.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

The following tables present financial information for each of our reportable segments for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues from unrelated entities:			
United States electrical construction and facilities services	\$ 2,015,466	\$ 1,806,092	\$ 1,961,798
United States mechanical construction and facilities services	3,922,864	3,485,495	3,340,337
United States building services	2,468,892	2,134,016	2,121,661
United States industrial services	986,407	940,895	1,327,556
Total United States operations	<u>9,393,629</u>	<u>8,366,498</u>	<u>8,751,352</u>
United Kingdom building services	509,951	430,563	423,259
Total operations	<u>\$ 9,903,580</u>	<u>\$ 8,797,061</u>	<u>\$ 9,174,611</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total revenues:			
United States electrical construction and facilities services	\$ 2,019,400	\$ 1,812,445	\$ 1,965,483
United States mechanical construction and facilities services	3,939,753	3,502,131	3,370,960
United States building services	2,564,013	2,213,161	2,197,305
United States industrial services	1,021,217	956,373	1,351,448
Less intersegment revenues	<u>(150,754)</u>	<u>(117,612)</u>	<u>(133,844)</u>
Total United States operations	<u>9,393,629</u>	<u>8,366,498</u>	<u>8,751,352</u>
United Kingdom building services	509,951	430,563	423,259
Total operations	<u>\$ 9,903,580</u>	<u>\$ 8,797,061</u>	<u>\$ 9,174,611</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating income (loss):			
United States electrical construction and facilities services	\$ 168,363	\$ 161,810	\$ 147,817
United States mechanical construction and facilities services	319,112	292,536	225,040
United States building services	119,024	114,159	115,432
United States industrial services	<u>(1,666)</u>	<u>1,175</u>	<u>57,529</u>
Total United States operations	<u>604,833</u>	<u>569,680</u>	<u>545,818</u>
United Kingdom building services	27,998	20,660	18,323
Corporate administration	<u>(102,031)</u>	<u>(98,542)</u>	<u>(101,726)</u>
Restructuring expenses	—	(2,214)	(1,523)
Impairment loss on goodwill, identifiable intangible assets, and other long-lived assets	<u>—</u>	<u>(232,750)</u>	<u>—</u>
Total operations	<u>530,800</u>	<u>256,834</u>	<u>460,892</u>
Other items:			
Net periodic pension (cost) income	3,625	2,980	1,553
Interest expense	<u>(6,071)</u>	<u>(9,009)</u>	<u>(13,821)</u>
Interest income	949	1,521	2,265
Income before income taxes	<u>\$ 529,303</u>	<u>\$ 252,326</u>	<u>\$ 450,889</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Capital expenditures:			
United States electrical construction and facilities services	\$ 4,976	\$ 8,674	\$ 4,839
United States mechanical construction and facilities services	10,420	11,239	7,890
United States building services	11,236	10,372	14,370
United States industrial services	6,159	9,595	16,760
Total United States operations	<u>32,791</u>	<u>39,880</u>	<u>43,859</u>
United Kingdom building services	3,015	3,693	3,598
Corporate administration	386	4,396	975
Total operations	<u>\$ 36,192</u>	<u>\$ 47,969</u>	<u>\$ 48,432</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Depreciation and amortization of property, plant and equipment:			
United States electrical construction and facilities services	\$ 7,189	\$ 6,693	\$ 6,664
United States mechanical construction and facilities services	11,130	10,683	8,764
United States building services	12,354	12,325	12,752
United States industrial services	11,723	12,405	12,016
Total United States operations	<u>42,396</u>	<u>42,106</u>	<u>40,196</u>
United Kingdom building services	3,938	3,046	2,942
Corporate administration	2,013	1,569	807
Total operations	<u>\$ 48,347</u>	<u>\$ 46,721</u>	<u>\$ 43,945</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Contract assets:			
United States electrical construction and facilities services	\$ 48,161	\$ 30,728	\$ 47,522
United States mechanical construction and facilities services	87,516	68,058	61,225
United States building services	44,625	31,304	30,557
United States industrial services	18,992	11,311	12,982
Total United States operations	<u>199,294</u>	<u>141,401</u>	<u>152,286</u>
United Kingdom building services	30,849	30,555	25,544
Total operations	<u>\$ 230,143</u>	<u>\$ 171,956</u>	<u>\$ 177,830</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Contract liabilities:			
United States electrical construction and facilities services	\$ 198,247	\$ 182,228	\$ 166,448
United States mechanical construction and facilities services	406,509	386,180	317,083
United States building services	133,061	106,691	101,963
United States industrial services	16,481	17,304	15,548
Total United States operations	<u>754,298</u>	<u>692,403</u>	<u>601,042</u>
United Kingdom building services	33,836	29,849	22,600
Total operations	<u>\$ 788,134</u>	<u>\$ 722,252</u>	<u>\$ 623,642</u>

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SEGMENT INFORMATION (Continued)

	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Long-lived assets:			
United States electrical construction and facilities services	\$ 236,813	\$ 176,708	\$ 175,038
United States mechanical construction and facilities services	506,290	512,243	530,561
United States building services	509,096	493,274	459,934
United States industrial services	365,563	394,505	654,956
Total United States operations	<u>1,617,762</u>	<u>1,576,730</u>	<u>1,820,489</u>
United Kingdom building services	11,402	12,017	9,622
Corporate administration	2,535	4,356	1,431
Total operations	<u>\$ 1,631,699</u>	<u>\$ 1,593,103</u>	<u>\$ 1,831,542</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Total assets:			
United States electrical construction and facilities services	\$ 848,306	\$ 672,226	\$ 736,688
United States mechanical construction and facilities services	1,668,419	1,542,531	1,536,325
United States building services	1,101,082	1,040,160	1,008,263
United States industrial services	589,017	550,513	916,308
Total United States operations	<u>4,206,824</u>	<u>3,805,430</u>	<u>4,197,584</u>
United Kingdom building services	241,740	227,894	181,147
Corporate administration	992,882	1,030,516	451,627
Total operations	<u>\$ 5,441,446</u>	<u>\$ 5,063,840</u>	<u>\$ 4,830,358</u>

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of EMCOR Group, Inc. and subsidiaries:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of EMCOR Group, Inc. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 24, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue Recognition from Construction Contracts

Description of the Matter

As described in Note 3 to the consolidated financial statements, the Company generally recognizes revenue from construction contracts over time using a cost-to-cost input method in which the extent of progress is measured based on the ratio of costs incurred to date to the total estimated costs at completion. In addition, the revenue recognition process requires the Company to determine the transaction price that represents the amount of consideration to which the Company expects to be entitled. A significant portion of the Company's revenues for the year ended December 31, 2021 were derived from construction contracts.

The determination of revenue recognized from construction contracts commonly requires the Company to estimate variable consideration that arises from pending change orders, contract claims, contract bonuses, and penalties, as well as to prepare estimates of the costs to complete contracts. Factors inherent in the estimation processes include, among others, historical experience with customers, the potential long-term nature of dispute resolutions, actions of third parties as well as the Company's experience with similar types of contracts. Due to uncertainties attributed to such factors, auditing revenue recognized from construction contracts involved especially challenging, subjective, and complex judgments.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls related to revenue recognition from construction contracts. For example, we tested controls over the Company's determination and review of estimates of variable consideration, costs to complete, and the completeness and accuracy of data utilized in conjunction with such estimation processes.

To test the amount of revenue recognized from construction contracts in the current period, we selected a sample of contracts and performed procedures to test the project revenue and cost forecasts. For example, we obtained and inspected the related contract agreements, amendments, and change orders to test the existence of customer arrangements and understand the scope and pricing of the related projects; performed inquiries of management and project personnel regarding facts and circumstances relevant to the accounting for such contracts; tested key components of the estimated costs to complete, including materials, labor, and subcontractors costs; agreed actual costs incurred to supporting documentation; and recalculated revenues recognized based on the project's percentage of completion and management's estimate of transaction price. In addition, we performed certain retrospective review procedures to assess management's historical ability to accurately estimate the transaction price and costs to complete contracts as well as to identify any significant or unusual changes in project revenue and cost forecasts during the period.

Valuation of Goodwill and Indefinite-Lived Intangible Assets

Description of the Matter

At December 31, 2021, the Company's goodwill and indefinite-lived trade name intangible assets were approximately \$890.3 million and \$215.8 million, respectively. As discussed in Note 8 to the consolidated financial statements, goodwill and trade names with indefinite lives are tested for impairment at least annually.

Auditing management's annual impairment tests was especially complex and subjective due to the significant estimation required in determining the fair value of the reporting units for goodwill and the fair value of trade name intangible assets. In particular, the fair value estimates for goodwill were sensitive to significant assumptions inherent in the Company's discounted estimated future cash flows such as the weighted average cost of capital, revenue growth rates, and operating margins. The fair value estimates for trade name intangible assets were sensitive to significant assumptions inherent in the Company's discounted estimated future cash flows such as the royalty rate, discount rate, and revenue growth rates. The fair value estimates for goodwill and trade name intangible assets are affected by expectations about future market or economic conditions, including the effects of the COVID-19 pandemic and other macroeconomic events relevant to certain markets in which the Company operates.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's impairment review processes for goodwill and trade name intangible assets. For example, we tested management's review controls over the valuation models and significant assumptions described above, including those developed by the Company's third-party valuation specialists.

To test the estimated fair value of the Company's reporting units and trade name intangible assets, with the support of a valuation specialist, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions and completeness and accuracy of the underlying data used by the Company in its analyses. For example, we compared the significant assumptions used by management to the historical financial results of the Company's reporting units and to current industry and economic trends. We assessed the historical accuracy of management's estimates by comparing past projections to actual performance and performed sensitivity analyses of significant assumptions to evaluate the changes in fair value that would result from changes in the assumptions. In addition, we reviewed the reconciliation of the aggregate fair value of the Company's reporting units to the market capitalization of the Company.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Stamford, Connecticut
February 24, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors of EMCOR Group, Inc. and subsidiaries:

Opinion on Internal Control Over Financial Reporting

We have audited EMCOR Group, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, EMCOR Group, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2021 consolidated financial statements of the Company and our report dated February 24, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Stamford, Connecticut

February 24, 2022

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Based on an evaluation of our disclosure controls and procedures (as required by Rules 13a-15(b) of the Securities Exchange Act of 1934), our Chairman, President and Chief Executive Officer, Anthony J. Guzzi, and our Executive Vice President and Chief Financial Officer, Mark A. Pompa, have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) are effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934). Our internal control over financial reporting is a process designed with the participation of our principal executive officer and principal financial officer or persons performing similar functions to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that: (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of assets, (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and Board of Directors, and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, our disclosure controls and procedures may not prevent or detect misstatements. A control system, no matter how well conceived and operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2021, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management has determined that EMCOR's internal control over financial reporting was effective as of December 31, 2021.

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report appearing in Item 8 of this Form 10-K, which such report expressed an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2021.

Changes in Internal Control over Financial Reporting

In addition, our management with the participation of our principal executive officer and principal financial officer or persons performing similar functions has determined that no change in our internal control over financial reporting (as that term is defined in Rules 13(a)-15(f) and 15(d)-15(f) of the Securities Exchange Act of 1934) occurred during the fourth quarter of our fiscal year ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item 10 with respect to directors is incorporated herein by reference to the section of our definitive Proxy Statement for the 2022 Annual Meeting of Stockholders entitled “Election of Directors,” which Proxy Statement is to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year to which this Form 10-K relates (the “Proxy Statement”). The information, if any, required by this Item 10 concerning compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated herein by reference to the section of the Proxy Statement entitled “Delinquent Section 16(a) Reports.” The information required by this Item 10 concerning the Audit Committee of our Board of Directors and Audit Committee financial experts is incorporated by reference to the section of the Proxy Statement entitled “Meetings and Committees of the Board of Directors” and “Corporate Governance.” The information required by this Item 10 regarding stockholder recommendations for director candidates is incorporated by reference to the section of the Proxy Statement entitled “Recommendations for Director Candidates.” Information regarding our executive officers is contained in Part I of this Form 10-K following Item 4 under the heading “Executive Officers of the Registrant.” We have adopted a Code of Ethics that applies to our Chief Executive Officer and our Senior Financial Officers, which is listed on the Exhibit Index.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the sections of the Proxy Statement entitled “Compensation Discussion and Analysis,” “Executive Compensation and Related Information,” “Potential Post Employment Payments,” “Director Compensation,” “Compensation Committee Interlocks and Insider Participation” and “Compensation Committee Report.”

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 (other than the information required by Section 201(d) of Regulation S-K, which is set forth below) is incorporated herein by reference to the sections of the Proxy Statement entitled “Security Ownership of Certain Beneficial Owners” and “Security Ownership of Management.”

Securities Authorized for Issuance Under Equity Compensation Plans. The following table summarizes, as of December 31, 2021, certain information regarding equity compensation plans that were approved by stockholders and equity compensation plans that were not approved by stockholders.

Plan Category	Equity Compensation Plan Information		
	A	B	C
	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column A)
Equity Compensation Plans Approved by Security Holders	472,410	\$ —	895,682 ⁽¹⁾
Equity Compensation Plans Not Approved by Security Holders	—	—	—
Total	472,410	\$ —	895,682⁽¹⁾

(1) Represents shares of our common stock available for future issuance under our 2010 Incentive Plan, which may be issued pursuant to the award of restricted stock, unrestricted stock and/or awards that are valued in whole or in part by reference to, or are otherwise based on the fair market value of, our common stock.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated herein by reference to the sections of the Proxy Statement entitled “Compensation Committee Interlocks and Insider Participation” and “Corporate Governance.”

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item 14 is incorporated herein by reference to the section of the Proxy Statement entitled “Ratification of Appointment of Independent Auditors.”

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following consolidated financial statements of EMCOR Group, Inc. and Subsidiaries are filed as part of this report under Part II, Item 8. Financial Statements and Supplementary Data:

Financial Statements:

Consolidated Balance Sheets - December 31, 2021 and 2020

Consolidated Statements of Operations - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements Comprehensive Income - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements of Cash Flows - Years Ended December 31, 2021, 2020, and 2019

Consolidated Statements of Equity - Years Ended December 31, 2021, 2020, and 2019

Notes to Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm (PCAOB ID: 42)

(a)(2) The following financial statement schedule is included in this Form 10-K: Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not required, are inapplicable, or the information is otherwise shown in the consolidated financial statements or notes thereto.

(a)(3) The exhibits filed in response to Item 601 of Regulation S-K are listed in the Exhibit Index.

(b) Exhibit Index

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
3(a-1)	Restated Certificate of Incorporation of EMCOR filed December 15, 1994	Exhibit 3(a-5) to EMCOR's Registration Statement on Form 10 as originally filed March 17, 1995 ("Form 10")
3(a-2)	Amendment dated November 28, 1995 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1995 ("1995 Form 10-K")
3(a-3)	Amendment dated February 12, 1998 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-3) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1997 ("1997 Form 10-K")
3(a-4)	Amendment dated January 27, 2006 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-4) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2005 ("2005 Form 10-K")
3(a-5)	Amendment dated September 18, 2007 to the Restated Certificate of Incorporation of EMCOR	Exhibit A to EMCOR's Proxy Statement dated August 17, 2007 for Special Meeting of Stockholders held September 18, 2007
3(b)	Amended and Restated By-Laws and Amendments thereto	Exhibit 3(b) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2016 ("2016 Form 10-K")
4(a)	Sixth Amended and Restated Credit Agreement dated as of March 2, 2020 by and among EMCOR and a subsidiary and Bank of Montreal, as Agent and the lenders listed on the signature pages thereof	Exhibit 4(a) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 ("March 2020 Form 10-Q")
4(b)	Sixth Amended and Restated Security Agreement dated as of March 2, 2020 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(b) to the March 2020 Form 10-Q
4(c)	Sixth Amended and Restated Pledge Agreement dated as of March 2, 2020 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(c) to the March 2020 Form 10-Q
4(d)	Fifth Amended and Restated Guaranty Agreement dated as of March 2, 2020 by certain of EMCOR's U.S. subsidiaries in favor of Bank of Montreal, as Agent	Exhibit 4(d) to the March 2020 Form 10-Q
4(e)	Description of Registrant's Securities	Exhibit 4(e) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2020 ("2020 Form 10-K")
4(f)	LIBOR Cessation Letter Agreement	Filed herewith
10(a)	Form of Severance Agreement ("Severance Agreement") between EMCOR and each of R. Kevin Matz and Mark A. Pompa	Exhibit 10.1 to EMCOR's Report on Form 8-K (Date of Report April 25, 2005)
10(b)	Form of Amendment to Severance Agreement between EMCOR and each of R. Kevin Matz and Mark A. Pompa	Exhibit 10(c) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 ("March 2007 Form 10-Q")
10(c)	Letter Agreement dated October 12, 2004 between Anthony Guzzi and EMCOR (the "Guzzi Letter Agreement")	Exhibit 10.1 to EMCOR's Report on Form 8-K (Date of Report October 12, 2004)
10(d)	Form of Confidentiality Agreement between Anthony Guzzi and EMCOR	Exhibit C to the Guzzi Letter Agreement
10(e)	Form of Indemnification Agreement between EMCOR and each of its officers and directors	Exhibit F to the Guzzi Letter Agreement

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(f-1)	Severance Agreement (“Guzzi Severance Agreement”) dated October 25, 2004 between Anthony Guzzi and EMCOR	Exhibit D to the Guzzi Letter Agreement
10(f-2)	Amendment to Guzzi Severance Agreement	Exhibit 10(g-2) to the March 2007 Form 10-Q
10(g-1)	Continuity Agreement dated as of June 22, 1998 between R. Kevin Matz and EMCOR (“Matz Continuity Agreement”)	Exhibit 10(f) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998 (“June 1998 Form 10-Q”)
10(g-2)	Amendment dated as of May 4, 1999 to Matz Continuity Agreement	Exhibit 10(m) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999 (“June 1999 Form 10-Q”)
10(g-3)	Amendment dated as of January 1, 2002 to Matz Continuity Agreement	Exhibit 10(o-3) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 (“March 2002 Form 10-Q”)
10(g-4)	Amendment dated as of March 1, 2007 to Matz Continuity Agreement	Exhibit 10(n-4) to the March 2007 Form 10-Q
10(h-1)	Continuity Agreement dated as of June 22, 1998 between Mark A. Pompa and EMCOR (“Pompa Continuity Agreement”)	Exhibit 10(g) to the June 1998 Form 10-Q
10(h-2)	Amendment dated as of May 4, 1999 to Pompa Continuity Agreement	Exhibit 10(n) to the June 1999 Form 10-Q
10(h-3)	Amendment dated as of January 1, 2002 to Pompa Continuity Agreement	Exhibit 10(p-3) to the March 2002 Form 10-Q
10(h-4)	Amendment dated as of March 1, 2007 to Pompa Continuity Agreement	Exhibit 10(o-4) to the March 2007 Form 10-Q
10(i-1)	Change of Control Agreement dated as of October 25, 2004 between Anthony Guzzi (“Guzzi”) and EMCOR (“Guzzi Continuity Agreement”)	Exhibit E to the Guzzi Letter Agreement
10(i-2)	Amendment dated as of March 1, 2007 to Guzzi Continuity Agreement	Exhibit 10(p-2) to the March 2007 Form 10-Q
10(i-3)	Amendment to Continuity Agreements and Severance Agreements with Anthony J. Guzzi, R. Kevin Matz and Mark A. Pompa	Exhibit 10(Q) to EMCOR’s Annual Report on Form 10-K for the year ended December 31, 2008 (“2008 Form 10-K”)
10(j)	Amendment dated as of March 29, 2010 to Severance Agreement with Anthony J. Guzzi, R. Kevin Matz and Mark A. Pompa	Exhibit 10.1 to Form 8-K (Date of Report March 29, 2010) (“March 2010 Form 8-K”)
10(k-1)	Severance Agreement dated as of October 26, 2016 between EMCOR and Maxine L. Mauricio	Exhibit 10(l-1) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 (“September 2016 Form 10-Q”)
10(k-2)	Continuity Agreement dated as of October 26, 2016 between EMCOR and Maxine L. Mauricio (“Mauricio Continuity Agreement”)	Exhibit 10(l-2) to the September 2016 Form 10-Q
10(k-3)	Amendment dated April 10, 2017 to Mauricio Continuity Agreement	Exhibit 10(l-3) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017
10(l-1)	EMCOR Group, Inc. Long-Term Incentive Plan (“LTIP”)	Exhibit 10 to Form 8-K (Date of Report December 15, 2005)
10(l-2)	First Amendment to LTIP and updated Schedule A to LTIP	Exhibit 10(S-2) to 2008 Form 10-K
10(l-3)	Second Amendment to LTIP	Exhibit 10.2 to March 2010 Form 8-K
10(l-4)	Third Amendment to LTIP	Exhibit 10(q-4) to EMCOR’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 (“March 2012 Form 10-Q”)

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(l-5)	Fourth Amendment to LTIP	Exhibit 10(l-5) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013
10(l-6)	Form of Certificate Representing Stock Units issued under LTIP	Exhibit 10(T-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2007 ("2007 Form 10-K")
10(l-7)	Fifth Amendment to LTIP	Exhibit 10(l-7) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2015 ("2015 Form 10-K")
10(l-8)	Sixth Amendment to LTIP	Exhibit 10(l-8) to 2015 Form 10-K
10(l-9)	Seventh Amendment to LTIP	Filed herewith
10(m)	Key Executive Incentive Bonus Plan, as amended and restated	Exhibit B to EMCOR's Proxy Statement for its Annual Meeting held June 13, 2013
10(n)	Amended and Restated 2010 Incentive Plan	Exhibit 10.1 to Form 8-K (Date of Report June 11, 2020)
10(o)	EMCOR Group, Inc. Employee Stock Purchase Plan	Exhibit C to EMCOR's Proxy Statement for its Annual Meeting held June 18, 2008
10(p)	Director Award Program Adopted May 13, 2011, as amended and restated December 14, 2011	Exhibit 10(n)(n) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2011
10(q)	Form of Non-LTIP Stock Unit Certificate	Exhibit 10(p)(p) to the March 31, 2012 Form 10-Q
10(r)	Form of Director Restricted Stock Unit Agreement	Exhibit 10(k)(k) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 ("June 2012 Form 10-Q")
10(s)	Director Award Program, as Amended and Restated December 16, 2014	Exhibit 10(z) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2014
10(t)	EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(E)(E) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2012 ("2012 Form 10-K")
10(u)	First Amendment to EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(e)(e) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2013
10(v)	Form of Executive Restricted Stock Unit Agreement	Exhibit 10(F)(F) to 2012 Form 10-K
10(w)	Executive Compensation Recoupment Policy	Exhibit 10(h)(h) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2015
10(x)	Restricted Stock Unit Award Agreement dated June 30, 2017 between EMCOR and Mark A. Pompa	Exhibit 10(f)(f) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017
14	Code of Ethics of EMCOR for Chief Executive Officer and Senior Financial Officers	Exhibit 14 to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2003
21	List of Significant Subsidiaries	Filed herewith
23.1	Consent of Ernst & Young LLP	Filed herewith
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Anthony J. Guzzi, the Chairman, President and Chief Executive Officer	Filed herewith
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Mark A. Pompa, the Executive Vice President and Chief Financial Officer	Filed herewith
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the Chairman, President and Chief Executive Officer	Furnished
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the Executive Vice President and Chief Financial Officer	Furnished
95.1	Information concerning mine safety violations or other regulatory matters	Filed herewith

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
101	The following materials from EMCOR Group, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Equity and (vi) the Notes to Consolidated Financial Statements.	Filed
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)	Filed

Pursuant to Item 601(b)(4)(iii) of Regulation S-K, upon request of the Securities and Exchange Commission, the Registrant hereby undertakes to furnish a copy of any unfiled instrument which defines the rights of holders of long-term debt of the Registrant's subsidiaries.

ITEM 16. FORM 10-K SUMMARY

None.

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Description	Balance at Beginning of Year	Costs and Expenses	Cumulative Effect Adjustment ⁽¹⁾	Deductions ⁽²⁾	Balance at End of Year
Allowance for credit losses					
Year Ended December 31, 2021	\$ 18,031	8,041	—	(2,538)	\$ 23,534
Year Ended December 31, 2020	\$ 14,466	3,269	3,150	(2,854)	\$ 18,031
Year Ended December 31, 2019	\$ 15,361	2,628	—	(3,523)	\$ 14,466

(1) Represents the adjustment to our allowance for credit losses, which was recorded to retained earnings upon the adoption of Accounting Standards Codification Topic 326.

(2) Deductions primarily represent uncollectible balances of accounts receivable written off, net of recoveries.

LIST OF SIGNIFICANT SUBSIDIARIES**JURISDICTION OF INCORPORATION**

Dyn Specialty Contracting, Inc.	Virginia
MES Holdings Corporation	Delaware
EMCOR Construction Services, Inc.	Delaware
EMCOR International, Inc.	Delaware
EMCOR Mechanical/Electrical Services (East), Inc.	Delaware
EMCOR (UK) Limited	England
EMCOR Group (UK) plc	England
EMCOR Facilities Services, Inc.	Ohio
EMCOR-CSI Holding Co.	Delaware
FR X Ohmstede Acquisitions Co.	Delaware
RepeonStrickland, Inc.	Delaware

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-168503) pertaining to the 2010 Incentive Plan of EMCOR Group, Inc.,
- (2) Registration Statement (Form S-8 No. 333-152764) pertaining to the EMCOR Group, Inc. Employee Stock Purchase Plan,
- (3) Registration Statement (Form S-8 No. 333-147015) pertaining to the 2007 Incentive Plan of EMCOR Group, Inc.,
- (4) Registration Statement (Form S-8 No. 333-112940) pertaining to the EMCOR Group, Inc. Stock Option Agreements dated as of January 4, 1999, May 5, 1999, January 3, 2000, January 2, 2001, December 14, 2001, January 2, 2002, June 19, 2002, October 25, 2002, January 2, 2003, February 27, 2003, and January 2, 2004, the EMCOR Group, Inc. 2003 Non-Employee Directors' Stock Option Plan and the EMCOR Group, Inc. 2003 Management Stock Incentive Plan, and
- (5) Registration Statement (Form S-8 No. 333-186926) pertaining to the EMCOR Group, Inc. Voluntary Deferral Plan;

of our reports dated February 24, 2022, with respect to the consolidated financial statements of EMCOR Group, Inc. and subsidiaries, and the effectiveness of internal control over financial reporting of EMCOR Group, Inc. and subsidiaries, included in this Annual Report (Form 10-K) of EMCOR Group, Inc. for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Stamford, Connecticut
February 24, 2022

CERTIFICATION

I, Anthony J. Guzzi, certify that:

1. I have reviewed this annual report on Form 10-K of EMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
Chairman, President and
Chief Executive Officer

CERTIFICATION

I, Mark A. Pompa, certify that:

1. I have reviewed this annual report on Form 10-K of EMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of EMCOR Group, Inc. (the “Company”) on Form 10-K for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Anthony J. Guzzi, Chairman, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2022

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
Chairman, President and
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of EMCOR Group, Inc. (the “Company”) on Form 10-K for the period ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark A. Pompa, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 24, 2022

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President and
Chief Financial Officer

COUNTY OF NASSAU
DEPARTMENT OF PUBLIC WORKS
Inter-Departmental Memo

TO: Office of the County Executive
Att: Edward W. Powers, Deputy County Executive

FROM: Department of Public Works

DATE: March 24, 2022

SUBJECT: Traffic Signal System Operation Phase 4
Recommendation to Amend Professional Services Agreement
Welsbach Corp of LI
Agreement No: H6200003E
Encumbrance No: CHPW16000015

This Department is requesting approval to amend the existing personal services agreement H6200003E with the Construction firm, Welsbach Electric Corp of LI. This amendment is necessary for the payment of services provided through the extension of the contract. The subject agreement with Welsbach Electric was originally set to expire on October 31, 2019 and was extended by Commissioner's letter for an additional three months, until January 31, 2020.

Welsbach Electric has performed maintenance and operations services for the subject project starting November 1, 2016, as prescribed by their Notice to Proceed. Due to delays in the Federal Aid Contract process, the County had to extend the subject contract by three months. This decision was made in order to ensure continued maintenance and operations of our Traffic Signal Communication infrastructure and to avoid any public safety issues.

As such, in accordance with the applicable terms and conditions of the agreement, this Department desires to increase the dollar value of the contract by \$42,964.01 increasing the contract amount to \$2,491,464.01. This increase will allow the County to pay Welsbach Electric's final claim and close out the project.

If you approve or disapprove the above request, please signify below, and return this memo to the office for appropriate action.



Kenneth G. Arnold
Commissioner

KGA:JGP:HTL:jd

c: Joseph G. Pecora, Deputy Commissioner
Loretta Dionisio, Assistant to Deputy Commissioner
Harold T. Lutz, Director of Traffic Engineering
Jeff Lindgren, Project Manager

APPROVED:


Edward W. Powers Date
Deputy County Executive

DISAPPROVED:

Edward W. Powers Date
Deputy County Executive



U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE COMPTROLLER

**Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions
(Sub-Recipient)**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 28 CFR Part 67, Section 67.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 *Federal Register* (pages 19160-19211).

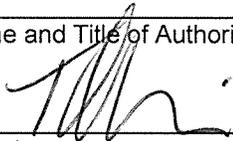
(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department of agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Timothy P. Miller President / C.E.O.

Name and Title of Authorized Representative



Signature

03/28/2022

Date

Welsbach Electric Corp. of L.I.

Name of Organization

300 Newtown Road, Plainview, NY 11803

Address of Organization

LAURA CURRAN
NASSAU COUNTY EXECUTIVE



KENNETH G. ARNOLD, P.E.
COMMISSIONER

COUNTY OF NASSAU
DEPARTMENT OF PUBLIC WORKS
1194 PROSPECT AVENUE
WESTBURY, NEW YORK 11590-2723

October 21, 2019

Mr. Joseph Florio, President
Welsbach Electric Corp., L.I.
300 Newtown Road
Plainview, New York 11803

Re: Traffic Signal System Operations Phase IV
Contract No. H6200003E
Encumbrance No. CHPW16000015
Extension of Time

Dear Mr. Florio:

You are hereby advised that an extension of time for project H6200003E has been granted for the time period November 1, 2019 to January 31, 2020.

This extension of time is not an acknowledgement by the County that the same was caused by any action on the part of the County and shall not serve to relieve you from any of the terms and conditions of the contract or from full responsibility of performance of the obligations there under. The County specifically reserves any and all claims, causes of action and the right to assess damages against you or your surety. As indicated in the contract documents, the prevailing unit bid prices will be retained.

If you should have any questions, please contact Mr. Jeff Lindgren, Project Manager at (516) 571-6998.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ken Arnold".

Kenneth G. Arnold, P.E.
Commissioner of Public Works

KGA:JGP:HTL:jd

c: Michael Pulitzer, Clerk of the Legislature
Joseph G. Pecora, Deputy Commissioner of Public Works
Harold T. Lutz, Director of Traffic Engineering
Jeff Lindgren, Project Manager
Matt Duffy, Inspector, Comptroller's Office

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COUNTY OF NASSAU
DEPARTMENT OF PUBLIC WORKS

WESTBURY, NEW YORK 11590-2723

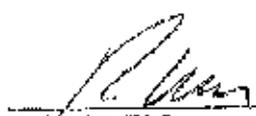


NASSAU COUNTY SIGNAL SYSTEM OPERATIONS PHASE IV
COUNTYWIDE

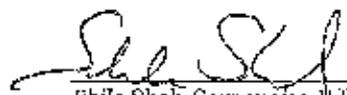
NASSAU COUNTY, NEW YORK

H6200003E, PIN 0760.81

Responsible Local Official


Richard R. Walker
Chief Deputy County Executive

Licensed Professional


Shila Shak-Gavroudis, P.E.
Commissioner of Public Works



U.S. Department of Transportation
Federal Highway Administration



Department of
Transportation

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Signal System Operations Phase IV
Contract No. H62000-03E
PIN 0760.81

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NO TEXT ON THIS PAGE

**Nassau County
Department of Public Works**

NOTICE TO BIDDERS

Sealed Proposals, invited by the County of Nassau, will be received by the County Executive of Nassau County, in the office of the Clerk of the Nassau County Legislature, Room 137, in the Theodore Roosevelt Executive and Legislative Building, 1550 Franklin Avenue, Mineola, New York, on **March 22, 2016 until 10:30 AM**, at which time the Proposals were accompanied with and presented separate from the required Bid Security will be publicly opened and read aloud, in the Meeting Room of the Nassau County Legislature, and the contract awarded as soon thereafter as practicable for:

**Signal System Operations Phase 4
County-wide
Contract PIN 0760.81**

Contract No. H62000-03E

This contract will provide personnel to operate and maintain the County's traffic signal and ITS communications infrastructure.

Instructions to Bidders, Form of Bid Bond, Proposal, Form of Agreement, Specifications and the Plans, herein called the "Contract Documents", may be examined at the Permit Office of the Department of Public Works, first floor, 1194 Prospect Avenue, Westbury, Nassau County, New York, 11590-2723, Phone No. (516) 571-6840, from 9:00 AM on February 19, 2016 until 3:45 PM on March 18, 2016 (closed daily from 12:00 Noon to 1:00 P.M). Copies of the Contract Documents will be available at the time and place indicated on a CD in PDF format.

This Contract will be subject to Nassau County Section 101 of Local Law No. 14-2002, and Local Law No. 9-2002, which requires that firms entering into contracts must participate in registered and approved apprenticeship training programs. At the time of bid submission, the Contractor and its proposed Subcontractors shall submit as part of its bid an affidavit of participation in approved apprenticeship training programs that are appropriate for the type and scope of work to be performed under the Agreement. The apprenticeship training programs shall be registered with, and approved by, the New York State Commissioner of Labor in accordance with Article 23 of the New York State Labor Law. Note that if the Contractor does not comply with these requirements, the Commissioner may declare the Contractor's bid proposal non-responsive and award the Contract to the next lowest responsible Bidder.

SUBCONTRACTOR LISTS - In accordance with GML § 101, for projects (1) to which a project labor agreement applies, (Labor Law Section 222) and, additionally, (2) on a public work contract for which separate specifications have not been prepared, each Bidder shall submit with its bid a separate sealed list on the forms provided with the proposal forms that names each subcontractor (for the following enumerated work, if applicable) that the Bidder intends to use to perform work on the contract, and the agreed-upon amount to be paid to each, for: (1) plumbing and gas fitting, (2) steam heating, hot water heating, ventilating and air conditioning apparatus and (3) electric wiring and standard illuminating fixtures. Notwithstanding the foregoing, all subcontractors must be approved by the Commissioner in writing prior to such subcontractor's performance of any work.

In order to ensure that you are submitting bids based on the plans and specifications provided by the Department, please be advised that the Department will only accept bids from bidders who are on the "List of Bidders" who purchased the plans and specifications from the Department.

A non-refundable fee of \$300.00 by check or money order, payable to the Nassau County Treasurer, will be required for each set of Contract Documents requested. Prospective bidders requesting Contract Documents by mail must remit an additional, non-refundable, fee of \$30.00 per set to cover handling and first class mailing.

Security for Bid as set forth herein must be presented with the Bid.

"FAILURE TO PROVIDE THE REQUIRED SECURITY WILL RENDER THE BIDDER NON-RESPONSIVE AND THE BID WILL NOT BE ACCEPTED, OPENED OR READ ALOUD. IN ADDITION, FAILURE TO PROVIDE THE REQUIRED SUBCONTRACTOR INFORMATION AT THE TIME OF BID OPENING MAY RENDER THE BIDDER NON-RESPONSIVE".

Please be advised that the DBE goal for the subject County Federal Aid Project was set at 3%. The project also has a 5.8% Minority participation goal along with a 6.9% Female participation goal. The anticipated start date of this contract is May 29, 2016.

All questions should be submitted in writing by no later than 4:00 pm on Friday, March 11, 2016, to the attention of Jeff Lindgren, Project Manager, 1194 Prospect Ave., Westbury, N.Y. 11590. Questions may also be e-mailed to jlindgren@nassaucountyny.gov. No faxed questions will be accepted.

Dated at Mineola, LI
February 17, 2016

By Order of Edward P. Mangano, County Executive
By William J. Muller III, Clerk of the Legislature

INSTRUCTIONS TO BIDDERS

A. RECEIPT AND OPENING OF BIDS

The County of Nassau, State of New York, invites bids on the forms attached hereto, all blanks of which must be properly completed. Bids together with Bid Security will be received by the Clerk of the Legislature of Nassau County, Room 117, in the Theodore Roosevelt Executive and Legislative Building, 1350 Franklin Avenue, Mineola, New York until 10:30 A.M., on the date noted in the Notice to Bidders, and Bids accompanied with Bid Security will be opened and read aloud in the Legislative Chambers Theodore Roosevelt Executive and Legislative Building.

B. BIDDER'S OBLIGATIONS

1. Bidders shall be responsible at the time of bidding for completing all certifications required by these Contract Documents. Failure to comply with this requirement may cause the bidder to be considered non-responsive and therefore not eligible for award.
2. Bidders are cautioned not to submit proposals without having carefully examined the entire site of the proposed work and the adjacent premises, and the various means of approach to the site and shall make all necessary investigations to inform themselves thoroughly as to the facilities for delivering, placing, and operating the necessary plant, and for delivering and handling the material at the site, and to inform themselves thoroughly as to all the difficulties involved in the completion of all work under this contract in accordance with its requirements.
3. Bidders shall examine the Drawings and Specifications and exercise their own judgment as to the nature and amount of the whole of the work to be done and, for the bid prices, shall assume all risk of variance by whomsoever made in any computation or statement of amounts or quantities necessary to fully complete the work in strict compliance with the Contract Documents.
4. The Contractor shall assume all risks and responsibility and shall complete the work in whatever material and under whatever conditions he may encounter or create, without extra cost to the County.
5. The County may have acquired for its own use certain information relating to the probable profiles of the ground,

Page 1

Instructions

INSTRUCTIONS TO BIDDERS

conditions below ground and water surfaces to be encountered at the site of the proposed work some of which may be shown on the plans. If such information is shown or given, the County makes no representation or warranty as to its existence or accuracy. The Bidder will be permitted to see and examine any information in the possession of the County for whatever value he considers it worth. The Bidder shall satisfy himself as to the nature of all subsurface conditions, by making any and all investigations he may deem necessary.

6. No plea of ignorance or misunderstanding of conditions that exist or that may hereafter exist, or of conditions or difficulties that may be encountered in the execution of the work under this Contract, as a result of failure to make the necessary examinations and investigations, will be accepted as an excuse for any failure or omission on the part of a Contractor to fulfill in every detail all of the requirements of the Contract Documents; or will be accepted as a basis for any claims whatsoever for extra compensation, or for an extension of time.

7. Bidders are warned that the estimates of the quantities of the various items of work and materials as set forth in the proposal form are approximate only and are given solely to be used as a uniform basis for the comparison of bids. The quantities actually required to complete the contract work may be less or more than so estimated; and, if so, no action for damages or for loss of profits shall accrue to the Contractor by reason thereof.

8. Bidders are cautioned that, where the work performed under this Contract involves a trade or occupation licensed in the County of Nassau by the Towns of Hempstead, Oyster Bay or North Hempstead or by the Cities of Glen Cove or Long Beach, the Contractor shall be required to have such a license.

C. DEFINITIONS

The Bidder's attention is directed to that Article of the Agreement and/or General Conditions which defines various words and expressions used therein.

D. FORM, PREPARATION AND PRESENTATION OF PROPOSALS

1. For particulars as to the quantity and quality of the supplies, materials, and equipment to be furnished and the nature and extent of the work or labor to be done, prospective

INSTRUCTIONS TO BIDDERS

bidders are referred to the Contract Documents which may be obtained or examined at the Receptionist's Office of the Department of Public Works.

2. Each bid shall be submitted upon the prescribed proposal form. All blank spaces for bid prices must be filled in, in ink, in both words and figures, with the unit or total sum, or both, for which the proposal is made. If proposals contain any omission, erasures, alterations, additions or items not called for in the itemized proposal or contain irregularities of any kind, such may constitute cause for rejection of bid. In case of any discrepancy in the unit price or amount bid for any item in the proposal, the unit price, as expressed in written words, shall govern. Each proposal shall specify the correct total sum of the bid. This total sum shall be the correct sum of all items indicated on the proposal form. The correct total sum shall be used to determine the lowest bidder. In the case of a proposal containing unit price items, the correct total sum shall be arrived at by the correct computation, to the hundredth of a dollar (\$0.00), of all items contained in the proposal at the unit prices bid, and correctly adding the amount bid for each item. If a bidder incorrectly computes the total sum, the Commissioner will, in all cases, cause the proposal to be corrected, up or down, in accordance with the precedence and procedure specified above, and the corrected total sum will be used to determine the ranking of the bidder. IN NO CASE IS THE AGREEMENT TO BE FILLED OUT OR SIGNED BY THE BIDDER.

3. SUBMISSION OF BIDS

1. The bid must be signed and verified, and be presented on the prescribed form in a sealed envelope on or before the time at the place mentioned in the Notice to Bidders, endorsed with the name of the person, firm or corporation presenting it, the date of presentation, and the title of the work for which the bid is made. (If forwarded by mail, the sealed envelope containing the proposal and marked as directed above, must be enclosed in another envelope addressed as specified in the Notice to Bidders, preferably by certified mail). Bid Security shall also be presented with the BID and shall be **OF THE BID BOND FORM PROVIDED** and presented in a sealed envelope, marked "Bid Security," and submitted separate from the BID. Said sealed envelope shall bear the contract number of the BID it is presented with and then "**attached to the OUTSIDE of the envelope containing the BID.**"

INSTRUCTIONS TO BIDDERS

2. **SUBCONTRACTOR LISTS** - In accordance with GML § 101, for projects (1) to which a project labor agreement applies, (Labor Law Section 222) and, additionally, (2) on a public work contract, for which separate specifications have NOT been prepared, each Bidder shall submit with its bid a separate sealed list on the forms provided with the proposal forms that names each subcontractor (for the following enumerated work, if applicable) that the Bidder intends to use to perform work on the contract, and the agreed-upon amount to be paid to each, for: (1) plumbing and gas fitting, (2) steam heating, hot water heating, ventilating and air conditioning apparatus and (3) electric wiring and standard illuminating fixtures. Notwithstanding the foregoing, all subcontractors must be approved by the Commissioner in writing prior to such subcontractor's performance of any work. Subcontractors should be approved by the Sponsor and included in a list in the Construction Management Plan (CMP), along with their respective contract item(s) of work. All subcontractors must submit the AAP 331L (Monthly Employment Utilization Form(s)) to the prime contractor for submittal to NYSDOT when submitting payment requisition forms along with any applicable AAP 231L form(s), Contractor Report of Contract Payments. These two forms must be printed from the ESO system and included with the payment. The contractor shall submit at the Pre-construction meeting a copy of CONR 891L forms for each of the approved subcontractors indicating the particular items of work, and these sheets will be included as part of the project records.

F. **BIDDING PROTEST PROCEDURE**

1. If a Bid Protest is contemplated, the County of Nassau must be notified immediately, in writing. The notification must contain facts in support of the protest, and directed to the Office of the Clerk of the Nassau County Legislature and copied to the Department of Public Works.

William Muller
Clerk of the Legislature
1550 Franklin Avenue
Mineola, NY 11501

Shula Shah-Gavncoudias, P.E.
Office of the Commissioner
1194 Prospect Avenue
Westbury, NY 11590

2. A written decision relative to the Bid Protest will be sent, to the person protesting, prior to accepting bids or awarding of contract. If the decision is not acceptable, or you feel that further action is warranted, then you may pursue available legal remedies.

INSTRUCTIONS TO BIDDERS

G. ADDENDA AND INTERPRETATIONS

No interpretation of the meaning of the Drawings, Specifications or other Contract Documents will be made to any Bidder orally. Prospective bidders must request in writing such interpretation from the Commissioner and such interpretation will be given in writing. To be given consideration, such request must be received at least seven working days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda which, if issued, will be sent by certified mail, with return receipt requested, to all prospective bidders (at the respective address furnished for such purposes) not later than five (5) working days prior to the date fixed for the opening of bids. Failure of any bidder to receive any such addenda or interpretation shall not relieve any bidder from any obligation under his bid as submitted. All addenda so issued shall become part of the Contract Document.

H. BID SECURITY

1. The proposal must be accompanied either by a certified check of a Bank or Trust Company with its principal place of business in New York State in an amount equal to not less than 10% of the amount bid, made payable to the County of Nassau as assurance that the bid is made in good faith; or a BID BOND in an amount of not less than 10% of the amount bid. **BIDDER MUST USE THE BID BOND FORM PROVIDED HEREIN.** The American Institute of Architects or similar substitute forms **OR FORMS IDENTICAL TO THAT PROVIDED HEREIN** will **NOT** be accepted (see Form of Bid Bond immediately following the instruction to Bidders). The **BID BOND** must be affixed to the **OUTSIDE** of the envelope containing the BID as indicated earlier in the **INSTRUCTIONS TO BIDDERS.** FAILURE TO PROVIDE SUCH BID BOND OR CERTIFIED CHECK WITH THE BID WILL RENDER THE BIDDER NON-RESPONSIVE AND THE BID WILL NOT BE ACCEPTED, OPENED OR READ ALOUD.
2. If after opening the BID, the Bid Security is found to be less than the required 10%, the BID will at that point be determined to be non-responsive and the BID will be rejected.
3. All Bonds shall be issued by a Surety Company authorized to do business in the State of New York as evidenced by either the Surety Company's most recent Certificate of Solvency under Section 1111 of the New York Insurance Law, a copy of which shall be attached to the Bond **OR** issued by a Surety Company

INSTRUCTIONS TO BIDDERS

listed in the most recent copy of the Department of Treasury's Listing of Approved Sureties (Department Circular 570). The amount of such Bond shall not exceed the limits set by the aforesaid Certificate of Solvency or Treasury Department Circular.

4. Within three days after the opening of bids, the bid security of all but the three lowest bidders will be returned. The bid security of the remaining bidders will be returned within two days after the execution of the Contract.
5. If the Bidder to whom the Contract is awarded refuses or neglects to execute it, or fails to furnish the required security and insurance, within ten (10) days of the date of the Notice of Award, the amount of his bid security shall be forfeited and shall be retained by the County as liquidated damages. No plea of mistake in a bid shall be available to the Bidder for the recovery of his bid security or as a defense to any action based on the neglect or refusal to execute a contract.

3. QUALIFICATIONS AND RESPONSIBILITY OF BIDDERS

QUALIFICATIONS: A form for qualification of bidders, giving evidence of sufficient facilities, equipment, and experience to insure completion of the work is provided with the proposal and must be properly filled in, sworn to and submitted as part of the proposal although additional information may be sought as provided in the RESPONSIBILITY section below.

RESPONSIBILITY: The COUNTY, in determining the responsibility of the apparent lowest bidder, may require, and the apparent lowest responsible bidder shall provide, such information as the COUNTY deems necessary in order to ascertain the pecuniary and financial responsibility, accountability, operational responsibility, skill, capacity, ability, judgment, integrity and moral worth of the apparent lowest responsible bidder. In the event that the apparent lowest bidder shall be rejected or fails to furnish the requested information and thereby is disqualified and/or otherwise determined to be not responsible, the next lowest bidder shall become the apparent lowest responsible bidder.

Procurement shall only be conducted with responsible vendors who have the technical and financial competence to perform as well as an exemplary record of integrity. Before selecting a vendor, Nassau County intends to review the

INSTRUCTIONS TO BIDDERS

federal and state lists of vendors excluded from procurement. Contracts shall not be awarded to debarred, suspended, or ineligible vendors. Accordingly, responses must include a completed NYS Vendor Responsibility Questionnaire and notarized certification, along with verification that a completed NYS Vendor Responsibility Questionnaire has been filed with the NYS Office of the State Comptroller. <http://www.osc.state.ny.us/vendrep/>.

1. The COUNTY may require the apparent lowest responsible bidder, in addition to other information, to furnish the following items:
 - a. Description of its experience with projects of similar comparative size, complexity, and cost within recent years, together with documentary evidence of such projects; demonstration of Contractor's ability and capacity to perform a substantial portion of the Project with its own forces.
 - b. Description of the bidder's proposed approach to the project; with a breakdown of the major construction activities; the sequence they will be performed; and their durations.
 - c. Documentation from previous projects regarding: timeliness of performance; quality of work; extension requests; labor disputes; litigation and/or arbitration arising from such work, including fines and penalties imposed and payment thereof; liens filed; history of claims for extra work; contract defaults; together with explanations of same.
 - d. Identification and description of any projects within the previous five years that the apparent lowest bidder was determined by a municipality not to be a responsible bidder, the reasons given by such municipality therefore, together with an explanation thereof.
 - e. An adequate demonstration of financial responsibility, which may include, in the COUNTY'S discretion, a Certified Financial Statement prepared by a Certified Public Accountant, to assure that the apparent lowest bidder possesses adequate resource and availability of credit and the means and ability to procure insurance and bonds required for the project.

INSTRUCTIONS TO BIDDERS

- f. Disclosure of any suspensions or revocations of any professional license of any director, officer, owner, or managerial employee of the apparent lowest bidder, to the extent that any work to be performed is within the field of such licensed profession.
- g. Disclosure of any and all Occupational Safety and Health Act (OSHA) violations within the previous three years, as well as all notices of OSHA violations filed against the apparent lowest bidder in the same three year Period, together with a description and explanation of remediation or other steps taken regarding such violations and notices of violation.
- h. Disclosure of any and all violations within the previous five years pertaining to unlawful intimidation or discrimination against any employee by reason of race, creed, color, disability, sex or natural origin and/or violations of an employee's civil rights or equal employment opportunities.
- i. Certification and list of equipment owned and/or leased by the apparent lowest bidder that will be utilized on the project, together with maintenance records and such assurances regarding safety thereof as the County considers appropriate.
- j. Disclosure of any litigation (including copies of Pleadings) in which the apparent lowest bidder has been named as a Defendant or third party defendant in an action involving a claim for personal injury or wrongful death arising from performance of work related to any project in which it has been engaged within the previous five years.
- k. Disclosure of violations of the Prevailing Wage and Supplement payment Requirements of the Labor Law, and any other Labor Law provisions, including, but not limited to, child labor violations, failure to pay wages, or unemployment insurance tax delinquencies within the past five years.
- l. Disclosure of violations of the Workers' Compensation Law, including, but not limited to the failure to provide proof of Workers' Compensation or Disability coverage and/or any lapses thereof.

INSTRUCTIONS TO BIDDERS

- m. Disclosure of any criminal convictions or criminal indictments, involving the apparent lowest bidder, its officers, directors, owners and/or managerial employees, within the past five years.
 - n. Disclosure of any violations within the past five years or pending charges concerning federal, state, or municipal environmental and/or health laws, codes, rules and/or regulations.
 - o. Identify all work to be subcontracted along with its value and when requested by the County identifying the firm(s) to which the work will be Subcontracted. All Subcontractors are subject to the approval of the County. The approval of the Subcontractors by the County, as provided in the general conditions, may be subject to the same evaluation of responsibility.
2. Prior to a final determination that the apparent lowest bidder is not responsible, the County shall notify the party of the same, in writing, relaying the initial determination of non-responsibility. The apparent lowest bidder will have ten (10) calendar days to make an appeal, in writing, to the Commissioner. If such an appeal is made, the Commissioner, per established procedure, will convene a Standing Committee to hear the bidder's appeal. The Committee will render a final decision in the matter. Failure by the bidder to make an appeal within the ten (10) calendar day period will render the initial determination of non-responsibility final.
3. In the event the amount of the lowest bid appears disproportionately low when compared with the estimates undertaken by or on behalf of the COUNTY and/or compared to other bids submitted, the COUNTY reserves the right to inquire further of the apparent lowest bidder to determine whether the bid contains mathematical errors, omissions and/or erroneous assumptions, and whether the apparent lowest bidder has the capability to perform and complete the contract for the bid amount.

NOTWITHSTANDING THE ABOVE, THE COUNTY RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS AS ELSEWHERE PROVIDED HEREIN.

J. SECURITY FOR FAITHFUL PERFORMANCE

INSTRUCTIONS TO BIDDERS

The successful bidder shall execute both a Performance Bond and a Labor and Material Payment Bond on forms as hereto attached, (See Form of Performance Bond and Form of Labor and Material Payment Bond Immediately following the section entitled "Agreement".) each in the amount of one hundred percent (100%) of the contract price, to remain in effect for the duration of the contract, which includes the Maintenance/Guarantee period. Such bonds to be executed by a surety company authorized to do business in the State of New York and acceptable to the County Comptroller; or bonds secured by collateral, or securities approved by the County Comptroller, and approved as to form and manner of execution by the County Attorney. The Attorney-in-fact who sign contract bonds, must file with such bonds a certified copy of the power of attorney to sign these bonds.

All Bonds shall be issued by a Surety Company authorized to do business in the State of New York as evidenced by either the Surety Company's most recent Certificate of Solvency under Section 1101 of the New York Insurance Law, a copy which must be attached to the Bond OR issued by a Surety Company listed in the most recent copy of the Department of Treasury's Listing of Approved Sureties (Department Circular 570). The amount of said Bond shall not exceed the limits set by the aforesaid Certificate of Solvency or Treasury Department Circular.

K. INSURANCE REQUIREMENTS

The successful bidder will be required to provide the types of insurance specified in the Agreement, General Conditions and Supplementary Conditions.

L. REJECTION OF BIDS

1. The County reserves the right to reject any bid if the evidence submitted in the statement of the Bidder's qualifications or if investigation of such Bidder fails to satisfy the County that such bidder is properly qualified to carry out the obligations of the Contract and to complete the work contemplated therein.

2. Conditional bids will not be accepted. The County reserves the right to reject any and all bids and to accept the bid which it deems most favorable to the interest of the County, after all bids have been examined and canvassed.

INSTRUCTIONS TO BIDDERS

M. BASIS OF AWARD

The Contract will be awarded, if at all, to the lowest responsive responsible bidder, as determined by the County Executive and by terms and conditions of the Contracts.

N. STAGING AND STORAGE AREAS

Where appropriate and available, the County will permit the successful bidder to utilize County-owned property in accordance with Specific Conditions as a staging and storage area. Bidders are advised to contact the office of Contracts and Permits to determine if such arrangements are available for the specific contract being bid.

O. CONTRACT PROCESSING FEE

In accordance with the provisions of Ordinance No. 201-2001, passed by the Legislature and approved by the County Executive (original on file with the Clerk of the Legislature), the successful bidder upon signing contracts will be required to pay the following fee schedule service charge for the administration of the contract by the County of Nassau:

<u>Value of Contract</u>	<u>Administrative Fee</u>
\$0 - \$5000	\$0
\$5001 - \$50,000	\$160
\$50,001 - \$100,000	\$266
Over \$100,000	\$533

All checks are to be made payable to the Nassau County Treasurer.

P. STATE LAWS

Foreign Contractors must comply with provisions of Articles 9a, 16 and 16a of the Tax Law, as amended, prior to submission of the proposal for the performance of the work. The Certificate of the New York State Department of Taxation and Finance (TP-310) to the effect that all taxes have been paid by the foreign Contractor shall be conclusive proof of the payment of taxes. The term "foreign Contractor" as used herein means, in the case of an individual, a person who is a legal resident of another state or foreign country; in the case of a firm or co-partnership, one having one or more

INSTRUCTIONS TO BIDDERS

partners who is a legal resident of another state or foreign country; and, in the case of a corporation, one having its principal place of business in another state or country.

2. The attention of all prospective bidders is specifically called to the provisions of Section 25, subdivision 5, sections 70 and 71 of the Labor Law, as amended, in relation to funds being received by a Contractor for a public improvement declared to constitute trust funds in the hands of such Contractor to be applied first to the payment of certain claims.
3. The Contractor and each and every subcontractor performing work at the site of the project to which this Contract relates, shall comply with all applicable provisions of the Labor Law, as amended, of the State of New York and particularly Article 8 thereof. Attention is called to certain provisions of the Labor Law as set forth in the Agreement or General Conditions which are hereby referred to and made a part thereof.

9. THE CONTRACT IS ALSO MADE SUBJECT TO:

1. GENERAL BUSINESS LAW, Section 322-a
2. GENERAL MUNICIPAL LAW, Section 183-d
3. LABOR LAW, Article 8 and Article 10
4. ADMINISTRATIVE CODE OF NASSAU COUNTY, Sections 22-4.2 and 22-4.3

5. No Contractor, Subcontractor, nor any person acting on its behalf should in any manner discriminate because of race, creed, color, religion, sex, national origin, age, marital status, and or disability, against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates.

6. Contracts receiving Federal Aid are referred to Section I., entitled, CONTRACTS WITH FEDERAL AID, of these instructions.

7. With reference to the foregoing and all other statutory

INSTRUCTIONS TO BIDDERS

citations contained in the bid documents, it is the Contractor's responsibility to appraise himself of the latest amendments.

8. Each and every provision of any law, rule or regulation required by law to be inserted in this Contract shall be deemed to be inserted herein, and the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise, any such provision is not inserted or is not correctly inserted, then upon the application of either party, the Contract shall be amended to make such insertion.

R. **SALES TAX AND COMPENSATING USE TAX**

Under the Laws of New York State all materials and supplies sold to a Contractor and which are to become an integral, component part of a structure, building or real property owned by an exempt organization such as the County of Nassau are exempt from the payment of New York State Sales or Compensatory Use Taxes. Therefore, the Contractor should not include any amount in its bid price to cover Sales Taxes.

S. **RESPONSIBLE CONTRACTORS**

1. The Owner will award contracts only to responsible contractors who possess the ability to perform successfully under the terms and conditions of the Contract. Consideration will be given to such matters as contractor integrity, record of past performance, and accessibility to financial and technical resources. A prospective contractor must affirmatively demonstrate his or her responsibility and, when necessary, the responsibility of proposed subcontractors. A determination of non-responsibility will be made by the County if information obtained indicates clearly that the prospective contractor is not responsible. If the County has doubts about the productive capacity or financial strength of a prospective contractor which cannot be resolved affirmatively, the County will determine that the prospective contractor is non-responsible. A determination and findings supporting the decision will be written for the file.
2. A prospective contractor must:
- a. Have adequate financial resources or the ability to obtain such resources as required during performance of

INSTRUCTIONS TO BIDDERS

the contract.

- b. Be capable of furnishing the supplies/services specified in accordance with the required delivery schedule. Upon request, the prospective contractor must furnish "acceptable evidence" of his ability to perform, such as firm commitments by sub-contractors, equipment supplies and facilities, and show his ability to obtain the necessary personnel.
 - c. Not have an unsatisfactory record of performance.
 - d. Not have an unsatisfactory record of integrity and business ethics.
 - e. Be otherwise qualified and eligible to receive an award under applicable laws and regulations.
3. Debarred or Ineligible Bidders. No firm that is currently ineligible or debarred from the award of a direct Federal contract may be awarded a contract or a subcontract under a project supported by Federal funds. The contractor must include with his bid or proposal a certification that he is not on a current list of debarred or ineligible contractors for Federal contracts.

4. CONTRACTS WITH FEDERAL AID

1. After Nassau County lets the project, a contract award package is completed in accordance with chapter 14 of the Procedures for Locally Administered Federal Aid Projects (PLAFAP) manual, and submitted to NYSDOT Construction for review and concurrence. Once the contract award package is found to be in order, then the Sponsor will receive a permission to award letter from NYSDOT Planning and the contract may be awarded.
2. A Pre-Award Conference to determine the lowest responsible bidder's ability to fulfill the requirements of Executive Orders No. 11,246 and No. 11,375 is mandatory for all contracts exceeding \$1,000,000.00. The Bidder will be informed during the Pre-Award Conference, the date, time and place set for a Pre-Construction Conference required by New York State.
3. Are subject to the provisions of Article 18 of the General Municipal Law of the State of New York, as amended; Sections 22-4.2 and 22-4.3 of the Administrative Code of Nassau County, 41 CFR (Code of Federal Regulations) 60 including Parts 60-1.4, 60-250.4 and 60-741.4.

INSTRUCTIONS TO BIDDERS

4. No Contractor, Subcontractor, nor any person acting on its behalf should in any manner discriminate because of race, creed, color, religion, sex, national origin, age, marital status or disability, against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates.

U. BIDS RECEIVED IN EXCESS OF THE ESTIMATED COST OF WORK

The County reserves the right to reject any bid if the unit price proposed for any item exceeds the estimated cost by more than fifteen (15%) per cent, or if any lump sum item bid exceeds the estimated cost by more than twenty-five (25%) per cent.

V. FRINGE BENEFIT SUPPLEMENTS

The successful bidder will be required to comply with the Labor Law provisions contained in this Agreement.

W. DISADVANTAGED BUSINESS ENTERPRISE

There is a ten percent (3%) DBE disadvantaged business enterprise requirement for this project.

X. MBE / WBE UTILIZATION GOALS

This Federal Aid project has 0% MBE and 0% WBE Goals

Y. EQUAL EMPLOYMENT OPPORTUNITY GOALS

There is a 5.8% Minority Participation goal for this project
There is a 6.9% Female utilization goal for this project

INSTRUCTIONS TO BIDDERS

TITLE 51

APPRENTICESHIP TRAINING PROGRAMS FOR COUNTY CONTRACTS

- Section 1. Legislative Intent.
2. Definitions.
3. Requirements and Exceptions.
4. Enforcement.
5. Severability.
6. Applicability

1. **Legislative intent and purpose.** The County of Nassau hereby establishes a policy to promote apprenticeship training as authorized by Section 816-b of the NEW YORK LABOR LAW.

2. **Definitions.** As used in this local law, the following terms shall have the meanings indicated:

A. "Certificate of Completion" shall mean a certificate issued by the New York State Department of Labor which recognizes an employee's successful completion of an apprenticeship program.

B. "Construction contract" shall mean any contract to which the County of Nassau shall be a signatory which involves the construction, reconstruction, improvement, rehabilitation, installation, alteration, renovation, demolition or otherwise providing for any building, facility or physical structure of any kind with a value in excess of \$500,000.

C. "Contractor or subcontractor" shall mean a contractor or subcontractor which directly employs labor under a construction contract for which an apprenticeship program has been approved by the New York State Commissioner of Labor in accordance with Article 23 of the NEW YORK LABOR LAW.

D. "Sponsor" shall mean any organization or entity operating an apprenticeship program with the New York State Department of Labor and in whose name the program is registered.

3. **Requirements and Exceptions.**

A. The County of Nassau hereby requires any contractor, prior to entering into a construction contract with the County of Nassau, or any subcontractor entering into a contract with a contractor who has a construction contract with the County of Nassau, to have apprenticeship agreements appropriate for the type and scope of work to be performed, which have been registered with, and approved by the New York State Commissioner of Labor in accordance with Article 23 of the NEW YORK LABOR LAW, as evidenced by

INSTRUCTIONS TO BIDDERS

- valid Certificates of Completion which are specifically identified as pertaining to the trade(s) and/or job title(s) called for within the construction contract, anything in Section 103 of the NEW YORK GENERAL MUNICIPAL LAW to the contrary notwithstanding.
- B. Prior to entering a construction agreement with the County of Nassau, a contractor must submit to the County, Certificates of Completion showing that they, or their sponsor, graduated at least on apprentice from a state approved and registered apprenticeship program, in the trade and/or job title called for within the construction contract, within a time period immediately preceding the bid date of such project, the length of said time period to be calculated by adding twenty-four months to the specific trade's program length as set forth in the New York State Prevailing Wage Schedule, subject to the exception found in paragraph (E) of this section. If a contractor is a signatory to a sponsor, the contractor must submit to the County a letter from the sponsor verifying its signatory status.
- C. It shall be a contractor's responsibility to submit the required Certificates of Completion as part of any bid submitted in connection with a construction contract and to provide to the County department or agency administering the construction contract the identity of apprentices who have graduated from their apprenticeship program.
- D. If a contractor utilizes a subcontractor on a construction contract, the contractor shall submit Certificates of Completion showing that the subcontractor or the subcontractor's sponsor graduated at least one apprentice from a state approved and registered apprenticeship program, in the trade and/or job title called for within the construction contract, within a time period immediately preceding the bid date of such project, the length of said time period to be calculated by adding twenty-four months to the specific trade's program length as set forth in the New York State Prevailing Wage Schedule, subject to the exception found in paragraph (H) of this section. The contractor must submit these certificates at a time designated by the department or agency administering the construction contract, but in any event, these forms must be received by the County prior to subcontractor beginning work under the contract. If the subcontractor is a signatory to a sponsor, the contractor must submit to the County a letter from the sponsor verifying the signatory status.

INSTRUCTIONS TO BIDDERS

- E. It shall be the responsibility of the County department or agency administering a construction contract to verify that a contractor or subcontractor is a participant in a state approved and registered apprenticeship program and to include the submitted Certificates of Completion as an attachment to the final contract, work order or other document memorializing the award of work to the contractor.
- F. It shall be the responsibility of the County department of agency administering a construction contract to designate an individual within that department or agency who shall be responsible for specifically identifying within a construction contract the trade(s) and/or job title(s) necessary to perform the construction contract and verifying the validity of Certificates of Completion and including same as an attachment to the final contract, work order or other document memorializing the award of work to the contractor or subcontractor.
- G. In the event a County department or agency other than the Department of Public Works is administering a construction contract, that department or agency shall notify the Department of Public Works of said contract and the Department of Public Works will assist the department or agency to achieve compliance with the apprenticeship requirements set forth in this chapter.
- H. For the purpose of this title only, the length of program for the trade of laborer shall be two years.

4. **Enforcement.** The County Department of Public Works is hereby authorized, empowered and directed to promulgate such rules and regulations that are lawful, necessary and appropriate for the implementation and enforcement of any provisions of this local law.

5. **Severability.** If any clause, sentence, paragraph, subdivision, section or part of this local law or the application thereof, to any person, individual, corporation, firm, partnership, entity or circumstance, shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this local law or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance, directly involved in the controversy in which such judgment or order shall be rendered.

INSTRUCTIONS TO BIDDERS

6. **Applicability.** This local law shall apply to construction contracts advertised for bids on or after the effective date.

(Added by Local Law No. 9-2002, in effect August 8, 2002, amended Local Law No. 3-2013 and Local Law 3-2015 effective June 19, 2015.)

NO TEXT ON THIS PAGE

FORM OF BID BOND

IMPORTANT The bidder shall instruct the Surety Company to USE THIS FORM PROVIDED as the use of ANY OTHER FORM may cause rejection of the bid.

KNOW ALL MEN BY THESE PRESENTS,

that we, the undersigned Welsbach Electric Corp. of L.L. 300 Newtown Road, Plainview, NY 11803 as Principal; and Travelers Casualty and Surety Company of America as surety, who is licensed to do business in the State of New York, are hereby firmly bound unto the County of Nassau in the penal sum of

Ten Percent of the Amount Bid dollars (\$ 10% of Amt. Bid) for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

Signed, this 14th day of March, 2016

The conditions of the above obligation is such that whereas the Principal has submitted to the County of Nassau a certain Bid attached hereto and hereby made a part hereof, to enter into a contract in writing for the work under Contract No. H62000-03E / PIN 0760.81 for the

Signal System Operations Phase IV

NOW, THEREFORE, the conditions of this obligation are such that if the Principal shall not withdraw said proposal except by mutual consent of the County of Nassau within a period of forty-five (45) days after the opening of bids and in the event of acceptance of the Principal's proposal, if the Principal shall,

- a. when notified by the County, execute all necessary counterparts of the contract as set forth in the contract documents in accordance with the proposal as accepted; and
- b. furnish bonds and other security as specified in the contract documents for the faithful performance and proper fulfillment of such contract, which bonds or other security shall be satisfactory in all respects to the County; and
- c. in all respects, comply with the provisions set forth in the invitation to bid; or if the County of Nassau shall reject the aforesaid proposal for a reason other than the Principal's failure to satisfy the County that he has the necessary skill, experience and liquid assets required for the contract as stated in the documents aforesaid, then this obligation shall be null and void; otherwise to remain in full force and effect.

Page 1



Provided, however, that this bond is subject to the following additional conditions and limitations.

a. In the event that the Principal fails to submit a financial statement when required by the County or in the event that an examination of the Principal indicates to the County that the Principal does not meet the financial requirements required by the County, the undersigned will, upon demand, pay to the County of Nassau, as liquidated damages for the Principal's failure to meet such requirements, a sum equal to the amount that would have been required by a certified check if the same were delivered in accordance with the provisions of the contract documents and specifications herein stated.

b. In case the Principal shall default in the performance of any provision the undersigned will upon demand pay to the County of Nassau the full amount of the damages sustained by the County of Nassau by reason of such default, except however, it is expressly understood and agreed that the liability of the surety for any and all claims hereunder shall in no event exceed the amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligation of said Surety and its bond shall be in no way impaired or affected by any extension of time within which the County of Nassau may accept such Bid; and said Surety does hereby waive notice of any such extension.



IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

Welsbach Electric Corp. of L.I.
Contractor

by [Signature] (L.S.) (Corporate seal of Contractor
Title of a corporation)
PRESIDENT / C.E.O.

by _____ (L.S.) Title

by _____ (L.S.) Title

Travelers Casualty and Surety Company of America
One Tower Square, Hartford, CT 06183

Surety

by [Signature] (L.S.)
Title of Officer
Rita Sagistano, Attorney-In-Fact

~~XXXXX~~ Witness: [Signature] (L.S.) (Corporate seal of Surety)
~~XXXXXXXXXXXXXXXXXX~~

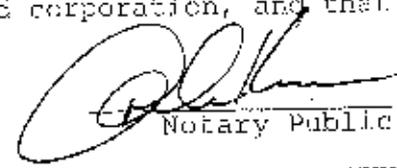


(Acknowledgment by Contractor if a corporation)

STATE OF New York)

SS.:
COUNTY OF NASSAU)

On this 22nd day of March, 2016, before me personally came JOSEPH P. FIALO who, being by me duly sworn, did depose and say for himself, that he resides in Kings Park, NY that he is the Assistant CEO of the Welsbach Electric Corp. of L.I. the corporation described in, and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.


Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU0096716
Qualified in Suffolk County
Commission Expires August 4, 2019

(Acknowledgment by Contractor if a partnership)

STATE OF _____)

SS.:
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally came _____ to me to be a member of the firm described in and which executed the foregoing bond or obligation, and he acknowledged to me that he subscribed the name of said firm thereto on behalf of said firm for the purpose therein mentioned.

Notary Public

(Acknowledgment by Contractor if an individual.)

STATE OF _____)

SS.:
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally came _____ to me known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged that he executed the same.

Notary Public



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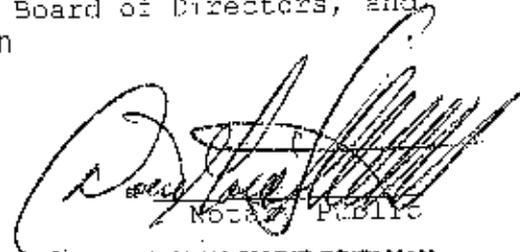
(Acknowledgment by Surety Company)

STATE OF New York)

ss.:
COUNTY OF Nassau)

On this 14th day of March, 2016, before me personally came Rita Sagistano, known, who being by me duly sworn, did depose and say that he resides in Nassau County, NY

that he is the Attorney-in-Fact of the Travelers Casualty and Surety Company of America, the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he signed his name thereto by like order; and that the liabilities of said company do not exceed its assets as ascertained in the manner provided by the laws of the State of New York, and the said Donna Marie Spielman further said that he is acquainted with Rita Sagistano and knows him to be the Attorney-in-Fact of said company; that the signature of the said Rita Sagistano subscribed to the within instrument is in the genuine handwriting of the said Rita Sagistano and was subscribed thereto by like order of the Board of Directors, and in the presence of him, the said Donna Marie Spielman



DONNA MARIE SPIELMAN
Notary Public, State of New York
No. 01SP6248741
Qualified in Nassau County
Commission Expires 09/19/2016

COMMISSION EXPIRES 03/15/2019
CONTAINED IN FEDERAL COURT
NO. 0125824341
FEDERAL COURT STATE OF NEW YORK
DOMINIC MARIE ROYERMAN

POWER OF ATTORNEY

ATTENTION: Insert the "Power of Attorney" after this page in with your bid submission.

NO TEXT ON THIS PAGE

TRAVELERS

POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 229701

Certificate No. 006636701

KNOW ALL MEN BY THESE PRESENTS, That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Thomas Bean, Rita Sagisano, Gerard S. Macholz, Susan Lupski, Robert T. Pearson, Camille Matland, George O. Brewster, Celeste R. Chisholm, Vincent A. Wulsk, Leo Ferrucci, Desiree Cardina, Nelly Kerschwich, and Mia Woo-Warren

of the City of Uniondale, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 27th day of January, 2016.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: Robert L. Rauey
Robert L. Rauey, Senior Vice President.

On this the 27th day of January, 2016, before me personally appeared Robert L. Rauey, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2015.



Marie C. Tetreault
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Board of Directors of Farnington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Marine Insurance Company, Travelers Casualty and Surety Company, Providence Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, to wit: as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary, may appoint, authorize, ratify and Agents to act for and on behalf of the Company and may give such appointee such authority as to his certificate of authority, may procure or sign with the Company's name and seal with the Company's seal, recognizances, contracts of indemnity and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and restore the power given him or her and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when it is signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and only attested and sealed with the Company's seal by a Secretary or Assistant Secretary or the duly executed and certified, if required by one or more Attorneys-in-Fact and Agents pursuant to the power presented in his or her certificate of their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature of a bond, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or undertaking to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary, of Farnington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Marine Insurance Company, Travelers Casualty and Surety Company, Providence Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Companies this 14th day of March, 2016

Kevin E. Hughes
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.transfershield.com. Please refer to the American-Index number, the above named individuals and the details of the bond to which this power is attached.

FINANCIAL STATEMENT

ATTENTION: Insert the "Financial Statement" after this page in with your bid submission.

NO TEXT ON THIS PAGE

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06183

FINANCIAL STATEMENT AS OF DECEMBER 31, 2014

CAPITAL STOCK \$ 8,480,000

ASSETS		LIABILITIES & SURPLUS	
CASH AND INVESTED CASH	\$ 127,187,253	UNEARNED PREMIUMS	\$ 855,349,712
BONDS	3,411,436,937	LOSSES	690,168,443
STOCKS	328,931,870	LOSS ADJUSTMENT EXPENSES	355,011,923
INVESTMENT INCOME DUE AND ACCRUED	45,277,106	COMMISSIONS	34,142,045
OTHER INVESTED ASSETS	4,019,410	TAXES, LICENSES AND FEES	11,532,866
PREMIUM BALANCES	205,582,864	OTHER EXPENSES	40,097,406
NET DEFERRED TAX ASSET	62,629,144	CURRENT FEDERAL AND FOREIGN INCOME TAXES	24,153,660
REINSURANCE RECOVERABLE	17,397,751	REMITTANCES AND ITEMS NOT ALLOCATED	11,082,682
SECURITIES LENDING REINVESTED COLLATERAL ASSETS	8,224,694	AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	41,744,598
RECEIVABLES FROM PARENT, SUBSIDIARIES AND AFFILIATES	\$ 657,135	RETROACTIVE REINSURANCE RESERVE ASSUMED	553,130
OTHER ASSETS	3,076,655	POLICYHOLDER DIVIDENDS	7,376,660
		PROVISION FOR REINSURANCE	3,416,505
		ADVANCE PREMIUM	1,327,118
		PAYABLE FOR SECURITIES	4,680,788
		PAYABLE FOR SECURITIES LENDING	8,224,694
		CEDED REINSURANCE NET PREMIUMS PAYABLE	28,084,142
		REHEAT LIABILITY	1,138,948
		OTHER ACCRUED EXPENSES AND LIABILITIES	421,167
		TOTAL LIABILITIES	\$ 2,110,676,180
		CAPITAL STOCK	\$ 8,480,000
		FAID IN SURPLUS	433,803,750
		OTHER SURPLUS	1,574,373,715
		TOTAL SURPLUS TO POLICYHOLDERS	\$ 2,114,657,475
TOTAL ASSETS	\$ 4,225,233,655	TOTAL LIABILITIES & SURPLUS	\$ 4,225,233,655

STATE OF CONNECTICUT)
 COUNTY OF HARTFORD) SS.
 CITY OF HARTFORD)

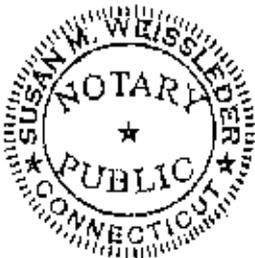
MICHAEL J. DOODY, BEING DULY SWORN, SAYS THAT HE IS SECOND VICE PRESIDENT, OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 31ST DAY OF DECEMBER, 2014.

Michael J. Doody
 SECOND VICE PRESIDENT

Susan M. Weissleder
 NOTARY PUBLIC

SUSAN M. WEISSELEDER
 Notary Public
 My Commission Expires November 30, 2017

SUBSCRIBED AND SWORN TO BEFORE ME THIS
 19TH DAY OF MARCH, 2015





CERTIFICATE OF SOLVENCY

ATTENTION: Insert the "Certificate of Solvency" after this page in with your bid submission.

NO TEXT ON THIS PAGE

STATE OF NEW YORK
DEPARTMENT OF FINANCIAL SERVICES

CERTIFICATE OF SOLVENCY UNDER SECTION 1111 OF THE NEW YORK
INSURANCE LAW

It is hereby certified that

Travelers Casualty and Surety Company of America
of Hartford, Connecticut

a corporation organized under the laws of the State of Connecticut, and duly authorized to transact the business of insurance in this State, is qualified to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law; and that the said corporation is possessed of a capital and surplus including gross paid-in and contributed surplus and unassigned funds (surplus) aggregating the sum of \$2,114,657,475. (Capital \$8,480,000.) as is shown by its sworn financial statement for the year ended December 31, 2014, on file in this Department, prior to audit.

The said corporation cannot lawfully expose itself to loss on any one risk or hazard to an amount exceeding 10% of its surplus to policyholders, unless it shall be protected in excess of that amount in the manner provided in Section 4118 of the Insurance Law of this State.



In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Albany, this 27th day of April, 2015.

Benjamin M. Lawsky
Superintendent

By *Jacqueline Catalfamo*
Jacqueline Catalfamo
Special Deputy Superintendent



ENGINEER'S ESTIMATE

<u>Item</u>	<u>Approx. Qty.</u>	<u>Description</u>	<u>Factor Months</u>	<u>Amount</u>	<u>Total Amount</u>
1A/1B	1	Computer and Ancillary Equipment	36 x	\$10,000.00	= \$ 360,000.00
2A/2B	900	Field Communication Units	36 x	\$ 54.00	= \$1,749,600.00
3	100	Incident Management Camera Equipment	36 x	\$ 24.00	= \$ 86,400.00
4	6	Travel Time Equipment	36 x	\$ 24.00	= \$ 5,200.00
5	50	Variable Message Signs	36 x	\$ 24.00	= \$ 43,200.00
6	LS	As Ordered (Furnish Equipment)			= \$ 100,000.00*
7	4	Trailer Mounted VMS Signs	36 x	\$ 420.00	= \$ 60,500.00
8	1	Forklift	36 x	\$ 350.00	= \$ 12,600.00
					<hr/>
Subtotal Miscellaneous Items					\$ 2,417,500.00
 <u>Section III - Time and Material</u>					
		Time	\$ 60,000.00	x 120%	= \$72,000.00
		Material	\$ 20,000.00	x 110%	= \$ 22,000.00
					<hr/>
Subtotal Time and Material					\$ 94,000.00
Plus Subtotal Miscellaneous Items					\$ 2,417,500.00
					<hr/>
Estimated Contract Total					\$ 2,511,500.00

* - This item is not eligible for Federal Aid Reimbursement and therefore will be paid with County Funding.

Traffic Signal Operations Phase 4 - PIN 0760.01

NO TEXT ON THIS PAGE

PROPOSAL
To the County of Nassau

SIGNAL SYSTEM OPERATIONS PHASE IV
P.I.N. 0760.81
H6200003E,
NASSAU COUNTY, NEW YORK

TO THE COUNTY OF NASSAU:

Pursuant to and in compliance with your Advertisement for Bids and the Instructions to Bidders relating thereto, the undersigned hereby proposes to furnish all plant, labor, materials, supplies, equipment and other facilities necessary or proper for or incidental to the above Contract, as required by and in strict accordance with the plans and specifications for the amount named in the proposal hereinafter described.

In making this proposal the Bidder hereby declares that the Addenda which has been issued by the County of Nassau and has been received by him, that all provisions thereof have been complied with in preparing his bids.

Name of Bidder: WELSBACH ELECTRIC Corp. of L.I.
(Individual, Firm or Corporation) as case may be)

Bidder's Address: 300 NEWTOWN RD PLAINVIEW, NY 11803

Telephone: (516) 454.0023 Date: March 22, 2016

FAX Tele: (516) 454.0282

NOTE: IF BIDDER IS A FIRM, FILL IN THE FOLLOWING BLANKS:

Name of Partners

Residence of Partners

NOTE: IF BIDDER IS A CORPORATION, FILL IN THE FOLLOWING BLANKS:

Organized under the laws of the State of: New York

Name of President / C.E.O. JOSEPH P. FROLO

President's Domicile: _____

Name of Vice Pres: ASST. DANIEL PIQUOTTE

Vice Pres's Domicile: _____

Corporate Officer: MICHELE VIGNATI Title: ASST. TREASURER
ASST. SECRETARY

Corporate Officer's Domicile: _____

Corporate Officer: WALTER WALTER, JR. Title: ASST. VICE PRESIDENT

Corporate Officer's Domicile: _____

The Following Paragraphs are Applicable to the Contract

THE BIDDER AFFIRMS AND DECLARES:

1. That the above bidder is of lawful age and the only one interested in this bid; and that no other person, firm or corporation, except those herein named, has any interest in this bid or in the Contract proposed to be entered into.
2. That this bid is made without any understanding, agreement or in connection with any other person, firm or corporation, making a bid for the same work, and is in all respects fair and without collusion or fraud.
3. That said bidder is not in arrears to the County of Nassau upon debt or contract, and is not a defaulter, as surety or otherwise, upon any obligation to the County of Nassau.
4. That no officer nor employee of the County of Nassau, or person whose salary is payable in whole or in part from the County Treasury is, shall be, or become interested directly, or indirectly as a contracting party, partner, stockholder, surety or otherwise, in this bid, or in the performance of the contract, or in the supplies, materials, equipment and work or labor to which it relates, or in any portion of the profits thereof.
5. That he has carefully examined the site of the work and that, from his own investigations, has satisfied himself as to the nature and location of the work, the character, quality and quantity of existing materials, all difficulties likely to be encountered, the kind and extent of equipment, other facilities needed for the performance of the work, the general and local conditions, and all other items which may, in any way, affect the work or its performance.
6. The bidder also declares that he has carefully examined and fully understands all the component parts of this Contract, that he will execute the Contract and will completely perform it in strict accordance with its terms for the following prices.
7. Where the work performed under this Contract involves a trade or occupation licensed in the County of Nassau by the Towns of Hempstead, Oyster Bay or North Hempstead or by the Cities Glen Cove or Long Beach, the contractor shall be required to have such a license.

INFORMATION FOR BIDDERS

I. Rejection of Bids.

A. The Commissioner may recommend a reject of bid if;

1. The Bidder fails to furnish any of the information required by the bid documents; or if
2. The bidder misstates or conceals any material fact in the bid, or in the sworn written statement; or if
3. The bid does not strictly conform to law or the requirements of this contract; or if
4. The bid is conditional; or if
5. The bid on Unit Price Contracts, in the opinion of the Commissioner, contains unbalanced bid prices, where the unit price proposed for any item exceeds the estimated cost by more than fifteen percent (15%), or if any lump sum item bid exceeds the estimated cost by more than twenty-five percent (25%); or if
6. A determination that the bidder is not responsible is made in accordance with law.

B. Rejection of all bids and waiver of informalities.

The Commissioner, however, reserves the right to recommend to reject all bids whenever he deems it in the best interest of the County, and also the right to waive any informalities in a bid.

II. Unit Price Contracts, Comparison of Bids.

Bids on Unit Price Contracts will be compared on the basis of a total bid price, arrived at by taking the sum of the Approximate Quantities of such item multiplied by the corresponding Unit Price, and including any Lump Sum Bid on individual items, in accordance with the items set forth in the bid proposal.

Bidders are warned that the Approximate Quantities of the various items of work and material is estimated only, and is given solely to be used as a uniform basis for the comparison of bids. The quantities actually required to complete the contract work may be more or less than estimated.

III. Lump Sum Contracts, Comparison of Bids.

Bids on Lump Sum Contracts will be compared on the basis of the Lump Sum Price bid adjusted for alternate prices bid, if any.

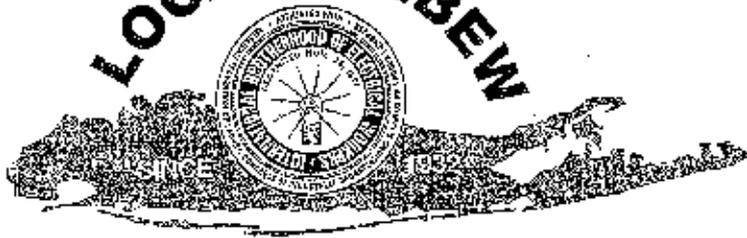
IV. Apprenticeship Training Program

For all contracts in excess of \$500,000 attach here verification letter regarding your firm's having an approved State of New York Apprenticeship Training Program.

See Attachment #1A

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LOCAL 25 IBEW



**INTERNATIONAL BROTHERHOOD
OF
ELECTRICAL WORKERS
Nassau-Suffolk Counties**

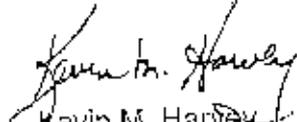
To Whom It May Concern:

Ref: Welsbach Electric Corp. L.I.

This will confirm that Welsbach Electric Corp. L.I. is a signatory contractor in good standing with Local Union #25, IBEW and employs Local Union #25 member electricians and is affiliated with our New York State Registered apprenticeship Program.

Very truly yours,

L. U. #25, IBEW


Kevin M. Harvey
Business Manager

KMH/rfs



**MINORITY AND WOMEN'S BUSINESS ENTERPRISE
UTILIZATION GOALS**

**MINORITY AND WOMEN'S BUSINESS ENTERPRISE
UTILIZATION REQUIREMENTS**

The New York State Department of Transportation has established the following Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE) utilization goals for this contract in accordance with §§102-21 of the New York State Standard Specifications. The goals are expressed as a percentage of the total bid price.

For Clarification of Utilization Requirements refer to New York State Specification §102-21

Minority Business Enterprise Utilization Goal -- 0 percent
Women's Business Enterprise Utilization Goal -- 0 percent

Directories and/or information related to the current certification status of Minority and Women's Enterprises, can be obtained by contacting the:

New York State Department of Economic Development
Division of Minority and Women's Business Development
One Commerce Plaza
Albany, New York 12223
(518) 473-6442

Minority/Women's Business Enterprise Officer

The Bidder shall designate and enter below the name of a Minority/Women's Business Enterprise Officer who will have the responsibility for and must be capable of effectively administering and promoting an active Minority/Women's Business Enterprise Program and who must be assigned adequate authority and responsibility to do so.

Bidder Designated M/WBE

Officer: _____

Joseph P. Forno
JOSEPH P. FORNO (Name, Title) PRESIDENT/C.E.O.

Telephone Number _____

(516) 451-0023

RETURN THIS PAGE WITH BID

DISADVANTAGED BUSINESS ENTERPRISE GOALS
Signal System Operations Phase 4 - 0760.81

The following Disadvantaged Business Enterprise (DBE) goals have been established for this project. The goals are expressed as a percentage of the total bid price.

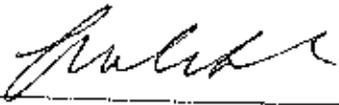
Disadvantaged Business Enterprise Goal - 3 percent

Since there is little opportunity to meet or exceed the DBE goals for this project, the contractor shall identify a list of DBE supplier/vendors that will be used in the event purchases need to be made related to this project. Prior to equipment or supplies purchase the contractor shall research the availability of said product from an approved DBE supplier and if available, make the purchase thru the DBE supplier.

Disadvantaged Business Enterprise Officer

The Bidder shall designate and enter below the name of a Disadvantaged Business Enterprise Officer who will have the responsibility for and must be capable of effectively administering and promoting an active Disadvantaged Business Enterprise Program and who must be assigned adequate authority and responsibility to do so.

Bidder Designated DBE Officer

Officer 
Joseph P. Florio (Name, Title) PRESIDENT/C.E.O.

Telephone Number (516) 454-0023

RETURN THIS PAGE WITH BID

Maintenance and Protection of Traffic
Traffic Control Plan
Signal System Operations Phase IV

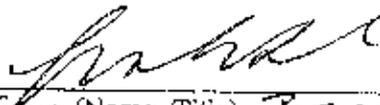
The work included in this project is related to Traffic Signal System Operations, and therefore road or lane closures will not be required for the duration of the project.

With that being said, Title 23 of the Federal Highway Administration, Department of Transportation Code of Federal Regulations Part 630 section 1010 does not apply relating to the need for a Maintenance and Protection of Traffic layout scheme or a Traffic Control Plan.

NASSAU COUNTY RIGHT-OF-WAY CERTIFICATION

The Contractor shall certify that all work performed under this contract shall be on Nassau County right-of-way only. At no time shall the Contractor's personnel or equipment be permitted on private property. This certification shall remain in effect for the duration of this contract.

Bidder

Officer 
JOSEPH P. FILANO (Name, Title) PRESIDENT/CEO.
Telephone Number (516) 454-0023

RETURN THIS PAGE WITH BID

BID SCHEDULE

Bids will be compared as stated in the proposal for bids, and as provided by law. The bidder is referred to Division 2, Section 1, of the specifications for an interpretation of work performed and bid, and Division 2, Section 2, for a description of the various items delineated below. The cost of performing other kinds of work and furnishing other kinds of material required and necessary to fulfill all the provisions of this contract in their present form for which no item is provided in the schedule below, SHALL BE DEEMED TO HAVE BEEN INCLUDED AND DISTRIBUTED IN THE ITEMS OF THIS SCHEDULE.

OPERATIONS ITEMS:

ITEM NO.	APPROX. QUANTITIES	DESCRIPTION	FACTOR (Months)	UNIT PRICE	AMOUNT BID
1A/1B	1	Computer Hardware & Ancillary Equipment UNIT PRICE MUST BE WRITTEN IN WORDS For <u>Six thousand seven hundred fifty five dollars and no cents</u>	x 36	x <u>6,755.⁰⁰</u>	= \$ <u>243,180.⁰⁰</u>
2A/2B	900	Field Communication Units UNIT PRICE MUST BE WRITTEN IN WORDS For <u>Fifty-eight dollars and no cents</u>	x 36	x <u>58.⁰⁰</u>	= \$ <u>1,879,200.⁰⁰</u>
3	100	IM Camera Equipment UNIT PRICE MUST BE WRITTEN IN WORDS For <u>Fifty-five dollars and no cents</u>	x 36	x <u>15.⁰⁰</u>	= \$ <u>54,000.⁰⁰</u>
4	6	Travel Time Equipment UNIT PRICE MUST BE WRITTEN IN WORDS For <u>Ten dollars and no cents</u>	x 36	x <u>10.⁰⁰</u>	= \$ <u>2,160.⁰⁰</u>
5	50	Variable Message Signs UNIT PRICE MUST BE WRITTEN IN WORDS For <u>One dollar and no cents</u>	x 35	x <u>1.⁰⁰</u>	= \$ <u>1,800.⁰⁰</u>
6	1S	As Ordered (furnish equipment)			= \$ <u>100,000.00</u>
7	4	Trailer Mount VMS Signs UNIT PRICE MUST BE WRITTEN IN WORDS For <u>Four hundred twenty dollars and no cents</u>	x 36	x <u>420.⁰⁰</u>	= \$ <u>60,480.⁰⁰</u>

NO TEXT ON THIS PAGE

BID SCHEDULE

8 1 Forklift x 36 x 380.⁰⁰ = \$ 13,680.⁰⁰
 UNIT PRICE MUST BE WRITTEN IN WORDS
 For Three hundred eighty dollars and no cents
 Dollars Cents

TIME AND MATERIAL ITEMS:

Bidders are hereby notified that the listing of all electrically operated traffic control devices and miscellaneous devices are under the jurisdiction of the Department of Public Works, and may be seen by contacting the Engineer.

Time: One hundred
 \$50,000.00 x 1.20 twenty percent = \$ 72,000.⁰⁰
 (Overhead & Profit % = 100%)
 Material: One hundred
 \$20,000.00 x 1.10 ten percent = \$ 22,000.⁰⁰
 (Overhead & Profit % = 100%)
 Subtotal of Time and Material = \$ 94,000.⁰⁰

TOTAL BID:

Subtotal of Operations Items \$ 2,354,500.⁰⁰
 Subtotal of Time and Material \$ 94,000.⁰⁰
 TOTAL BID \$ 2,448,500.⁰⁰

TOTAL OR GROSS BID MUST BE WRITTEN IN WORDS

For Two million four hundred forty eight thousand five hundred dollars and no cents
 Dollars Cents

NOTE: The figure in both the Time and Material percentages are not indicative of an estimate price. This figure is merely inserted as a basis for bidding purposes.

NO TEXT ON THIS PAGE

PROPOSAL: For all work in accordance with the drawings and specifications:

WELSPACH ELECTRIC Corp. of L.I.

~~(Individual, Firm or Corporation, as case may be)~~

Individual's Social Security Number _____

~~Firm or Corporation's~~ Federal ID Number 11-2354251

~~Firm or Corporation's~~ Municipal License ID Number 1684

Municipal Licensing Agency Hempstead

By: [Signature] Date: MARCH 22, 2016
(Print) JOSEPH P. FROMO Title: PRESIDENT / C.E.O.

WHERE BIDDER IS A CORPORATION; ADD:

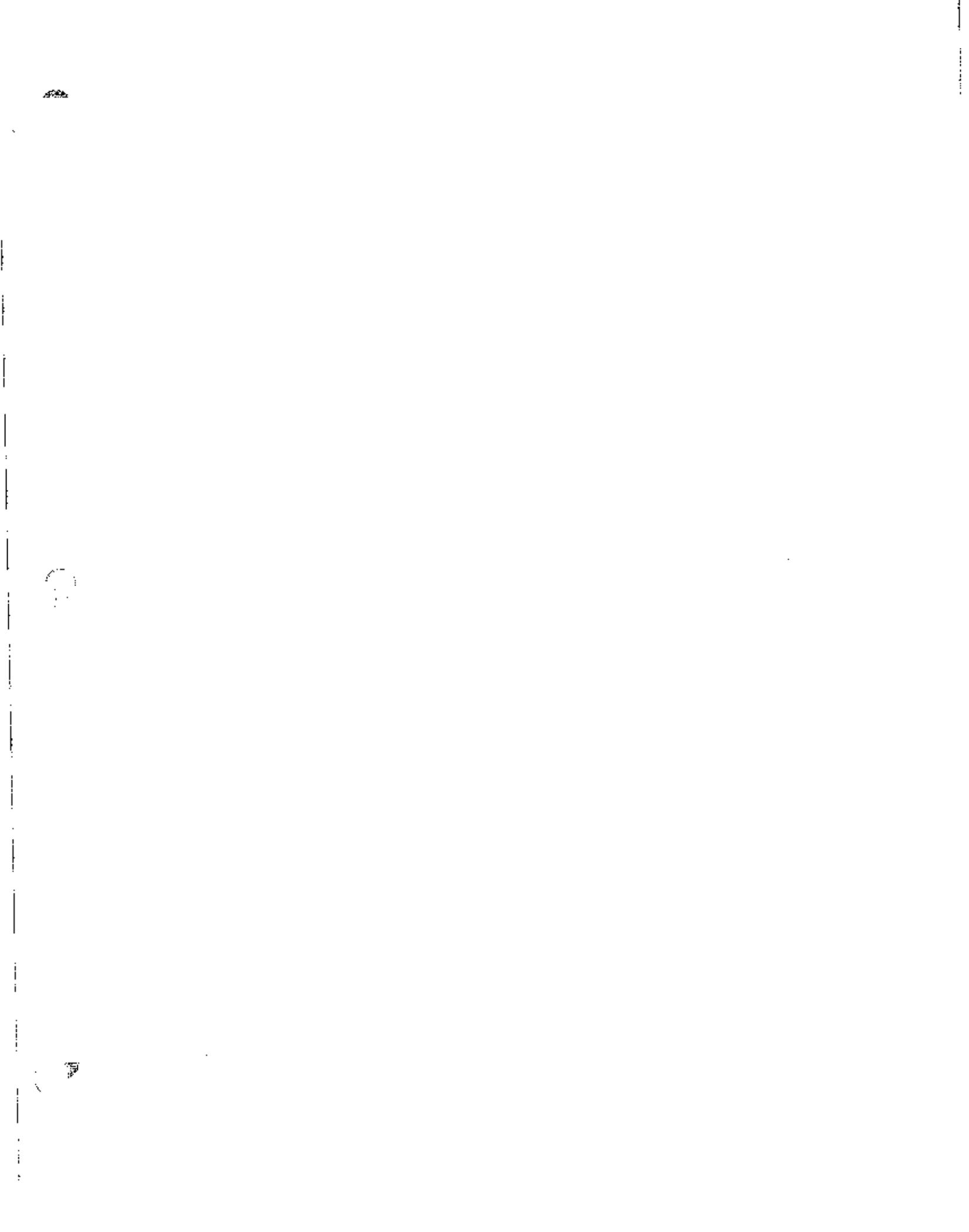
ATTEST: [Signature]
Asst. Secretary

(CORPORATE)
(SEAL)

NO TEXT ON THIS PAGE

Exhibit A









COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator? If yes, to what campaign committee?

NONE

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committee(s) identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Vendor: Weisbach Electric Corp. of L.I.

Dated: April 5, 2016

Signed: [Signature]

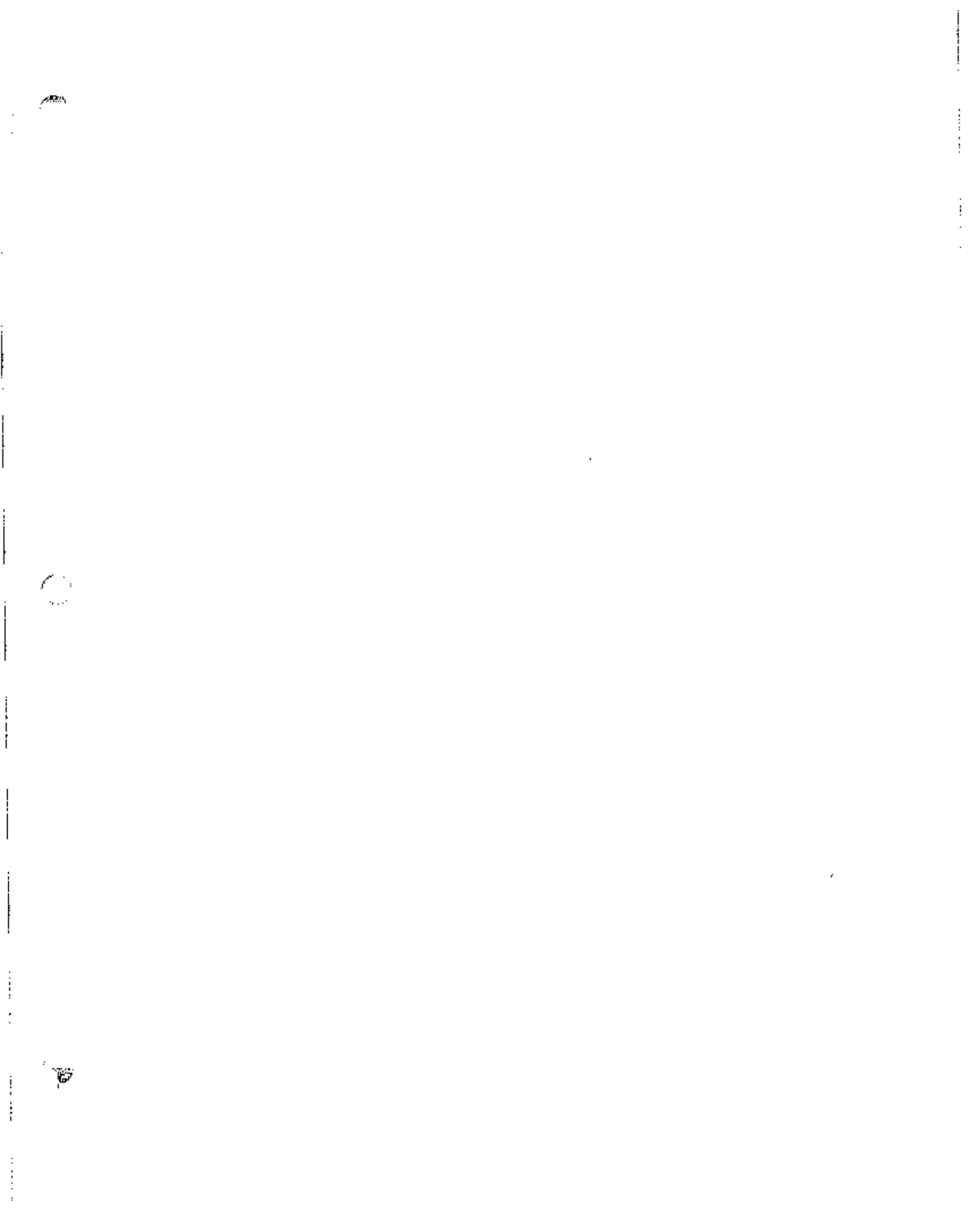
Print Name: Joseph P. Florio

Title: President / C.E.O.



Exhibit B









COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

NONE

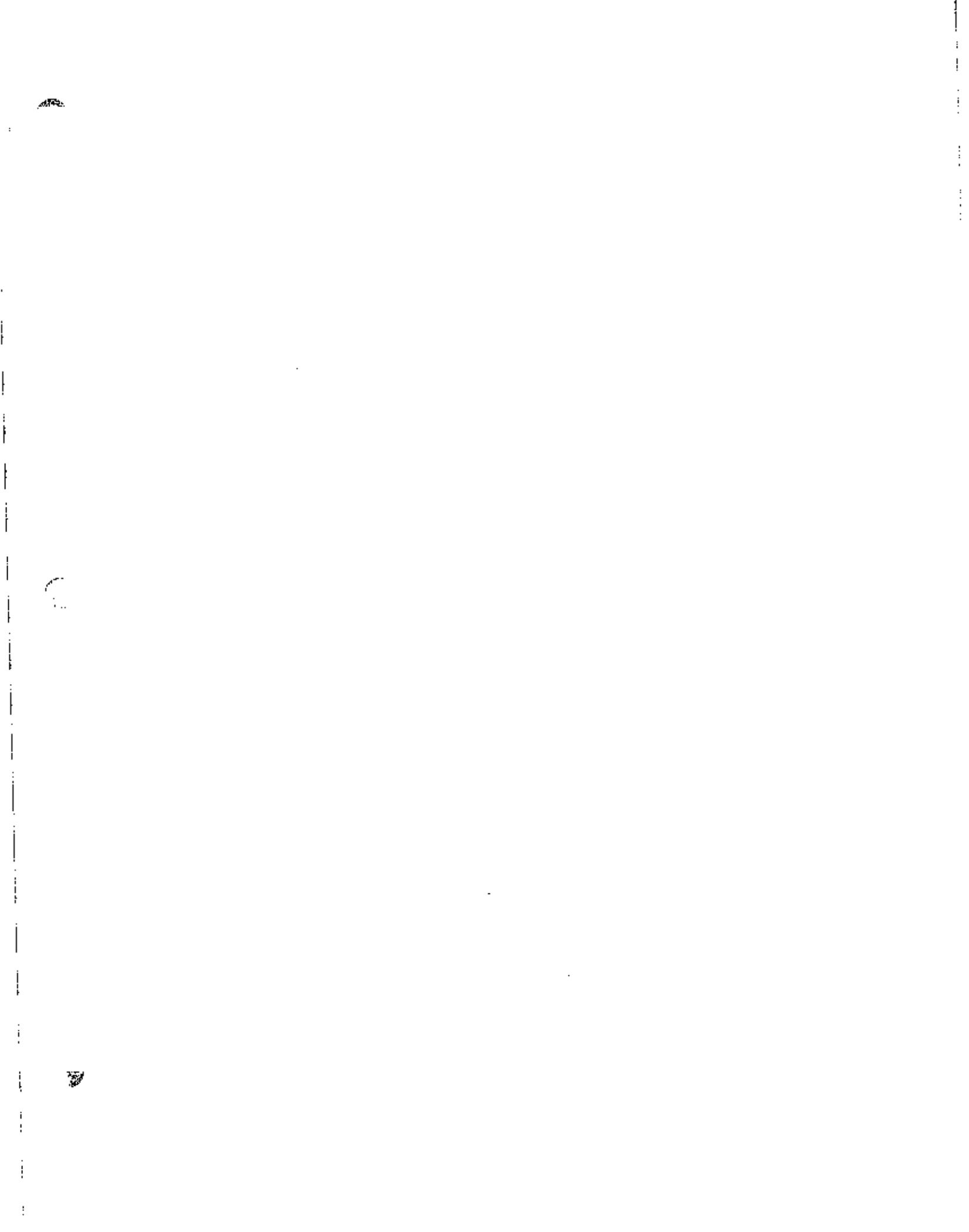
2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

3. Name, address and telephone number of a firm(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

NONE







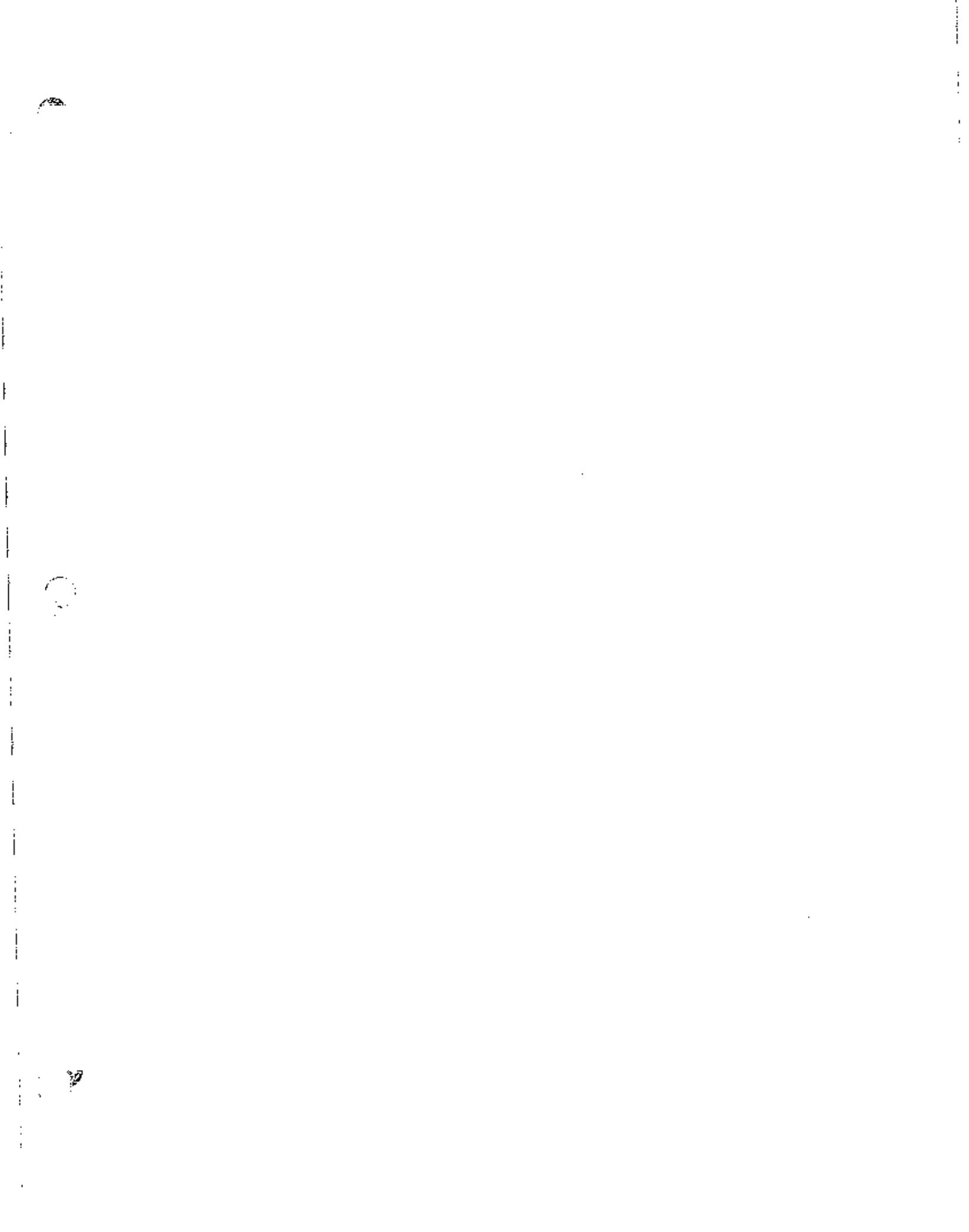
4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See page 4 for a complete description of lobbying activities.

N/A

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby

NONE







6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client. N/A

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator? If yes, to what campaign committee?

NO

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned swears and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committee(s) listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Dated: April 5, 2016 Signed: 
Print Name: Joseph P. Florio
Title: President / C.E.O.



PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

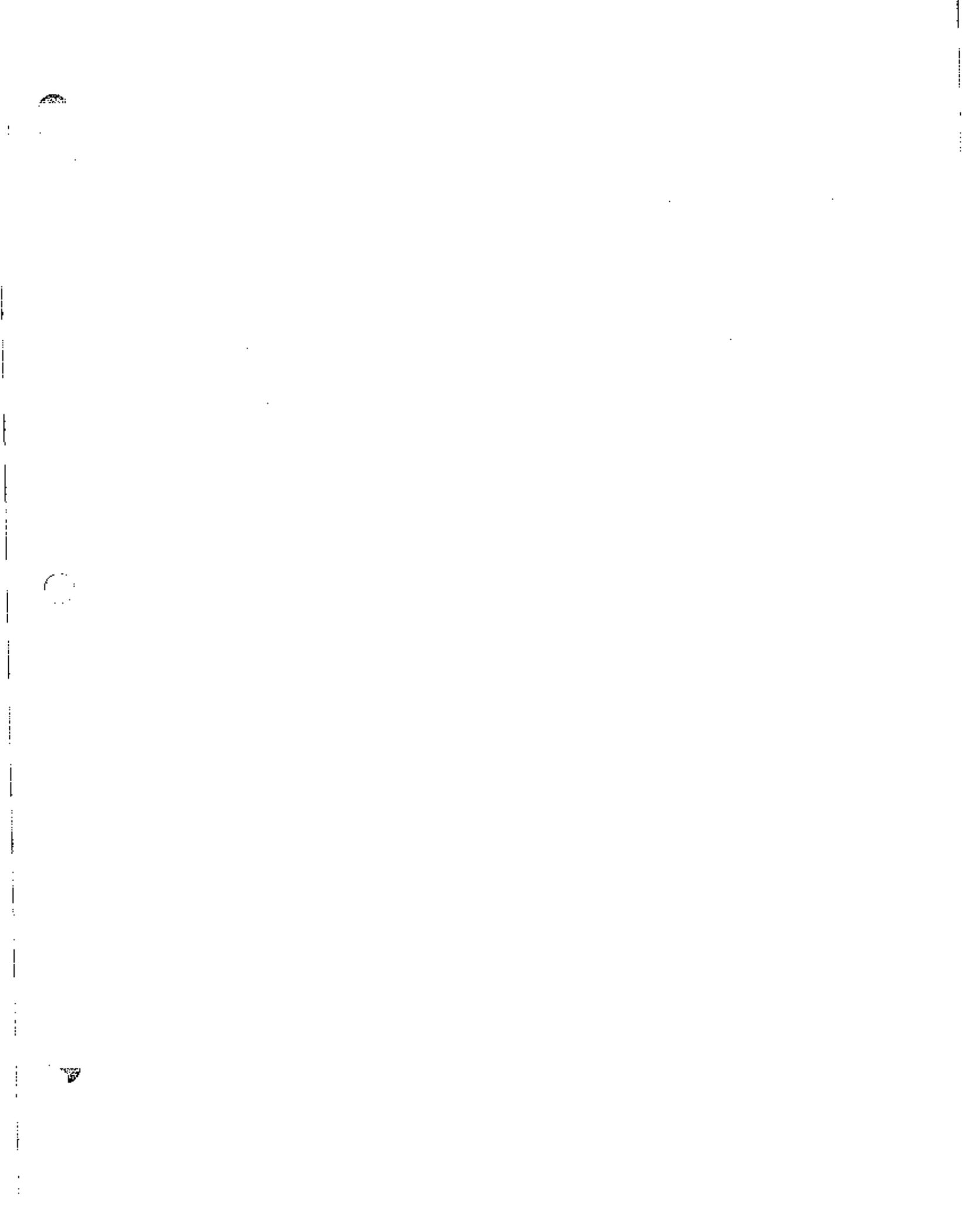
1. Principal Name Joseph P. Cirio
Date of birth [REDACTED]
Home address [REDACTED]
City/state/zip [REDACTED]
Business address 300 Newtown Road
City/state/zip Plainview, New York 11803
Telephone (516) 454-0025
Other present address(es) _____
City/state/zip _____
Telephone _____
List of other addresses and telephone numbers attached _____

2. Positions held in submitting business and starting date of each (check all applicable)

President 02 / 15 / 2002 Treasurer _____
Chairman of Board _____ Shareholder _____
Chief Exec. Officer 02 / 15 / 2002 Secretary _____
Chief Financial Officer 11 / 05 / 1985 Partner _____
Vice President 05 / 01 / 1992 _____
(Other) _____

3. Do you have an equity interest in the business submitting the questionnaire?
YES ___ NO X If Yes, provide details.
4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire? YES ___ NO X If Yes, provide details.
5. Within the past 5 years, have you been a principal owner or officer of any business or not-for-profit organization other than the one submitting the questionnaire? YES ___ NO X If Yes, provide details.







6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer? YES ___ NO
 If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency.
 Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency? YES ___ NO If Yes, provide details for each such instance.
 - b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause? YES ___ NO If Yes, provide details for each such instance.
 - c. Been denied the award of a contract and/or the opportunity to bid on a contract including, but not limited to, failure to meet pre-qualification standards? YES ___ NO If Yes, provide details for each such instance.
 - d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract? YES ___ NO If Yes, provide details for each such instance.
8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated? If "Yes", provide details for each such instance. (Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.)
- a) Is there any felony charge pending against you? YES ___ NO If Yes, provide details for each such charge.
 - b) Is there any misdemeanor charge pending against you? YES ___ NO If Yes, provide details for each such charge.
 - c) Is there any administrative charge pending against you? YES ___ NO If Yes, provide details for each such charge.
 - d) In the past 10 years, have you been convicted, after trial or by plea of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? YES ___ NO If Yes, provide details for each such conviction.



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- e) In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor? YES NO If Yes, provide details for each such conviction.
- f) In the past 5 years, have you been found in violation of any administrative or statutory charges? YES NO If Yes, provide details for each such occurrence.
9. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5? YES NO If Yes, provide details for each such investigation.
10. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer? YES NO If Yes, provide details for each such investigation.
11. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? YES NO If Yes, provide details for each such instance.
12. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? YES NO If Yes, provide details for each such year.



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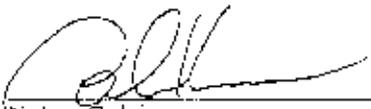


CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

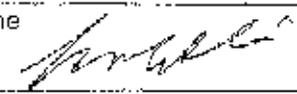
I, Joseph P. Florio, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this 5th day of April 2016



Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU6096718
Qualified in Suffolk County
Commission Expires August 4, 2018

Welsbach Electric Corp. of L.L.C.
Name of submitting business
Joseph P. Florio
Print name

Signature
President / C.E.O.
Title
04 / 05 / 2016
Date



Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS)

Date: May 23, 2016

1) Proposer's Legal Name Weisbach Electric Corp. of L.I.

2) Address of Place of Business: 300 Newtown Road, Plainville, NY 11803

List all other business addresses used within last five years:

N/A

3) Mailing Address (if different): N/A

Phone: (516) 454-0023

Does the business own or rent its facilities? Rent

4) Dun and Bradstreet number: 012728168

5) Federal I.D. Number: 11-2334251

6) The proposer is a (check one): Sole Proprietorship Partnership Corporation Other (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
Yes No If Yes, please provide details: _____

8) Does this business control one or more other businesses? Yes No If Yes, please provide details: _____



9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business? Yes No If Yes, provide details: Weisbach Electric Corp. of L.I. is a wholly owned subsidiary of Emcor Group, Inc.

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated? Yes No If Yes, state the name of bonding agency (if a bond), date, amount of bond and reason for such cancellation or forfeiture; or details regarding the termination (if a contract). _____

11) Has the proposer, during the past seven years, been declared bankrupt? Yes No If Yes, state date, court jurisdiction, amount of liabilities and amount of assets _____

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business. Yes No If Yes, provide details for each such investigation. _____

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business. Yes No If Yes, provide details for each such investigation. _____

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment, if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending? Yes No If Yes, provide details for each such charge _____

b) Any misdemeanor charge pending? Yes No If Yes, provide details for each such charge _____

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Yes No



If Yes, provide details for each such conviction _____

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
Yes ___ No If Yes, provide details for each such conviction: _____

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions? Yes ___ No If Yes, provide details for each such occurrence: _____

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? Yes ___ No If Yes, provide details for each such instance: _____

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? Yes ___ No If Yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire. _____

Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. **NOTE: If no conflicts exist, please expressly state "No conflict exists."**

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

_____ No conflict exists

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

_____ No conflict exists

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

_____ No conflict exists

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future. It is Welsbach Electric Corp.'s policy that should any actual or potential conflict of interest be suspected, management is to be notified immediately. At such time, all parties would be notified and actions pursued to resolve said conflict.



- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Should the proposer be other than an individual, the Proposal **MUST** include:

- i) Date of formation;
- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner;
- iii) Name, address and position of all officers and directors of the company;
- iv) State of incorporation (if applicable);
- v) The number of employees in the firm; See attached EMCOR Group Annual Report 2015
- vi) Annual revenue of firm;
- vii) Summary of relevant accomplishments;
- viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business. 60 Years

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services. N/A

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company New York State D.O.T.

Contact Person Christine Caputo

Address 221 Broadway, Suite 201

City/State Amityville, New York 11701

Telephone (631) 598-7805

Fax # (631) 598-7807

E-Mail Address CCaputo@Do.State.NY.US



Company Nassau County DPW

Contact Person Sheila Dukacz

Address 1194 Prospect Ave, Suite 183

City/State Westbury, New York 11590

Telephone (516) 572-0465

Fax # (516) 571-9363

E-Mail Address SDukacz@NassauCountyNY.gov

Company Town of Huntington

Contact Person Brad Kusko

Address 100 Main Street

City/State Huntington, New York 11743

Telephone (531) 351-3057

Fax # (531) 351-3066

E-Mail Address BKusko@Town.Huntington.NY.US

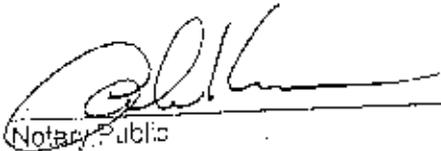


CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT B.D OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, Joseph P. Florio, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this 23rd day of May 2015

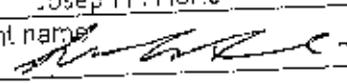


Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU6086716
Qualified in Suffolk County
Commission Expires August 4, 2019

Name of submitting business: Weisbach Electric Corp. of Li.

By: Joseph P. Florio

Print name


Signature
President / C.E.O.

Title

05 / 23 / 2015
Date



COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Wolsbach Electric Corp. of Ltd.

Address: 300 Newtown Road

City, State and Zip Code: Plainview, New York 11803

2. Entity's Vendor Identification Number: 11-2354251

3. Type of Business: Public Corp Partnership Joint Venture
 Ltd. Liability Co Closely Held Corp Other (specify)

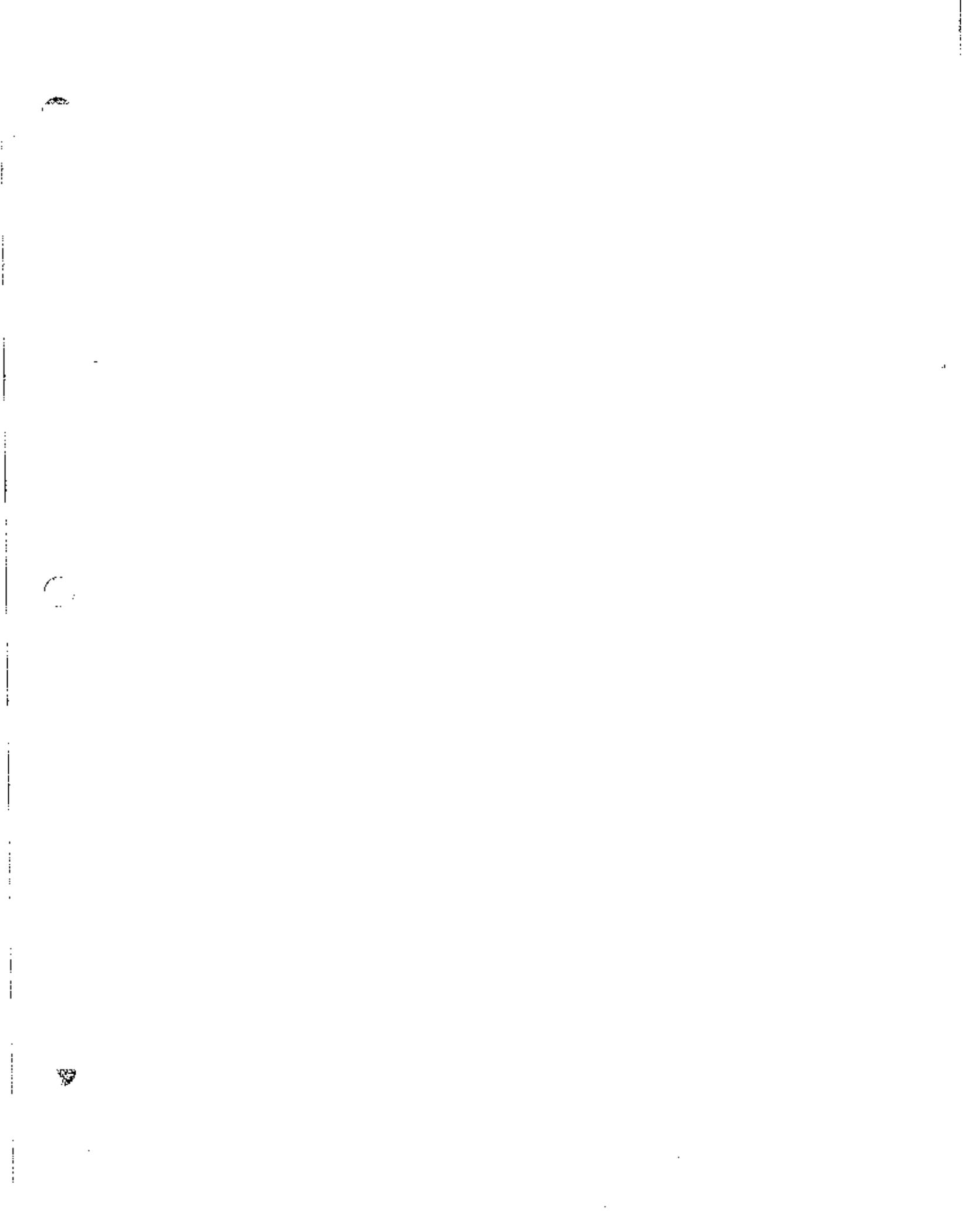
4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

See EMCOR Group, Inc. 2015 Annual Report.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

See EMCOR Group, Inc. 2015 Annual Report.







6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

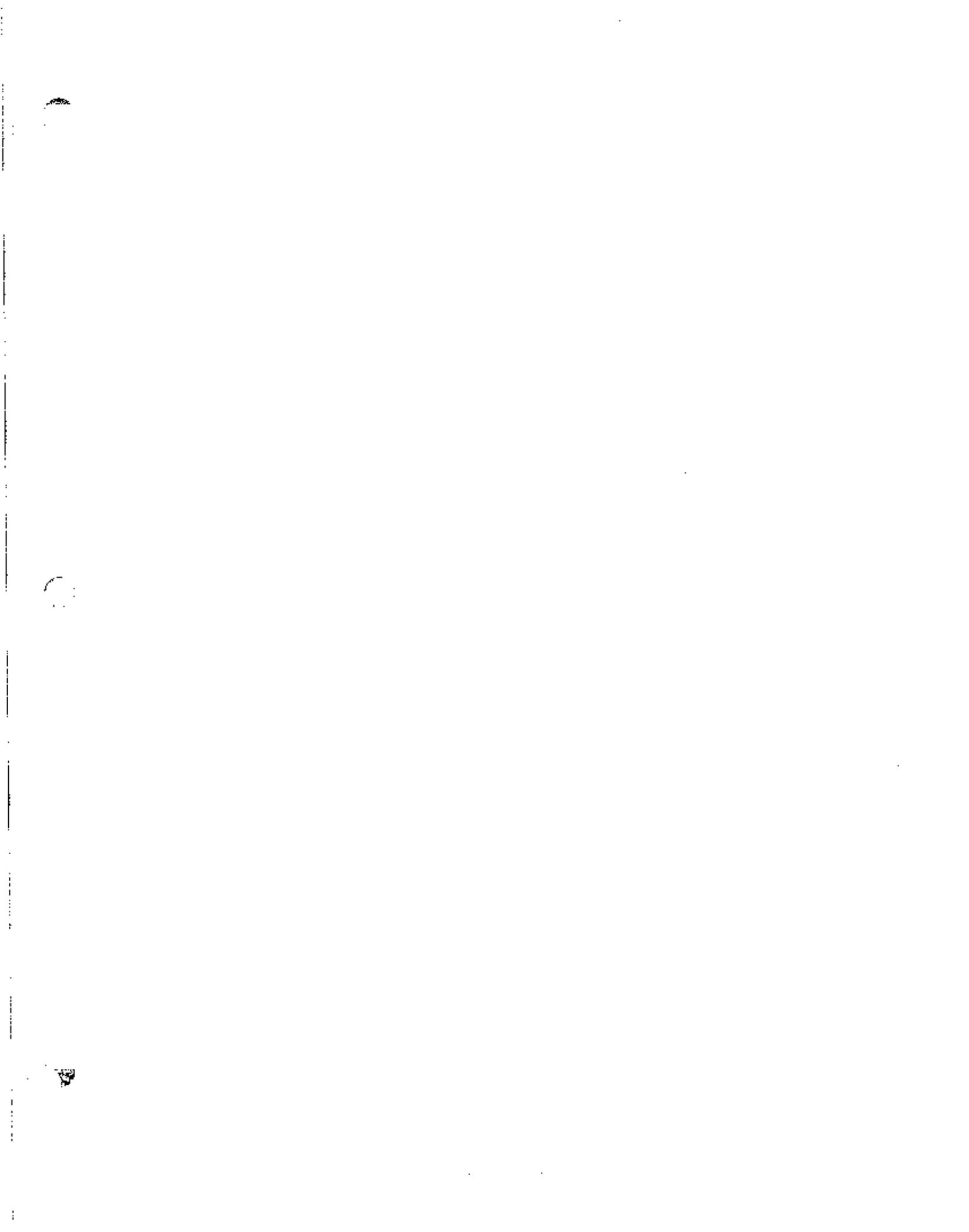
See EMCCR Group, Inc. 2015 Annual Report. No other subsidiary other than firm entered on
line 1 will be taking part in the performance of this contract.

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

(a) Name, title, business address and telephone number of lobbyist(s):

NONE







(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

NONE

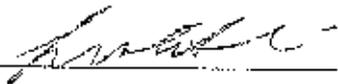
(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

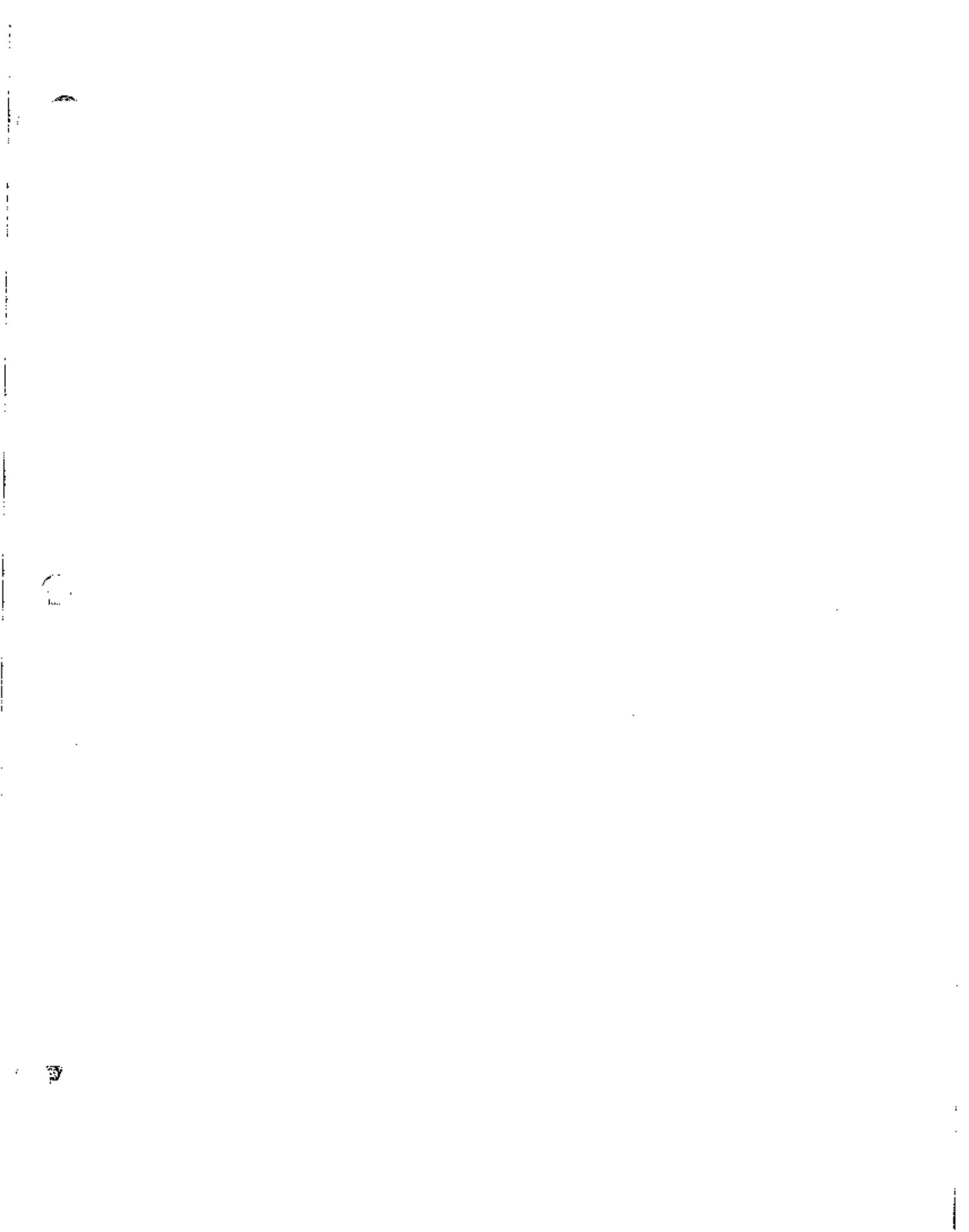
Dated: April 5, 2016

Signed: 

Print Name: Joseph P. Florio

Title: President / C.S.O.







Page 4 of 4

The term lobbying shall mean any attempt to influence any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.



COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: WELSBACH ELECTRIC Corp. of L.I.
Address: 300 NEWTOWN RD
City, State and Zip Code: PLUNKVIEW, NY 11803
2. Entity's Vendor Identification Number: 11-2354251
3. Type of Business: Public Corp Partnership Joint Venture
 Ltd. Liability Co Closely Held Corp Other (specify)

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

N/A

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation include a copy of the 10K in lieu of completing this section.

SEE ATTACHED EMCOR Group, INC. 2015 ANNUAL REPORT
WELSBACH ELECTRIC Corp. of L.I. IS A WHOLLY OWNED SUBSIDIARY

6. List all affiliated and related companies and their relationship to the firm entered on line 1, above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

SEE ATTACHED EXCON GROUP, INC 2015 ANNUAL REPORT
WESTBACH ELECTRIC Corp of L.I. IS A WHOLLY OWNED SUBSIDIARY

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements, or to otherwise engage in lobbying as the term is defined herein. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

(a) Name, title, business address and telephone number of lobbyist(s):

NONE

(b) Describe lobbying activity of each lobbyist. See page 4 of 4 for a complete description of lobbying activities.

N/A

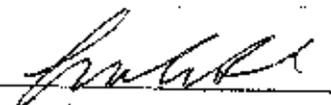
(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

NONE

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Dated: MARCH 22, 2016

Signed: 

Print Name: JOSEPH P. FLORIO

Title: PRESIDENT / C.E.O.

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name of lobbyist(s)/lobbying organization: The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission; or to otherwise engage in lobbying activities as the term is defined herein. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

NONE

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

N/A

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See page 4 for a complete description of lobbying activities.

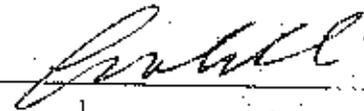
N/A

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

N/A

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Dated: MARCH 22, 2016

Signed: 

Print Name: JOSEPH P. FAZIO

Title: PRESIDENT/CEO

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

Business History Form

In addition to the submission of bids/proposals, as applicable, each bidder/proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the bid/proposal.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: MARCH 22, 2016

1) Bidder's/Proposer's Legal Name: WELSBACH ELECTRIC Corp. OF L.I.

2) Address of Place of Business: 300 NEWTOWN RD PLAINVIEW, NY 11803

List all other business addresses used within last five years: NONE

3) Mailing Address (if different): N/A

Phone: (516) 454-0023

Does the business own or rent its facilities? RENT

4) Dun and Bradstreet number: 01.272.8168

5) Federal I.D. Number: 11-2354251

6) The bidder/proposer is a (check one): Sole Proprietorship Partnership Corporation Other (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business? Yes ___ No If Yes, please provide details: _____

8) Does this business control one or more other businesses? Yes ___ No If Yes, please provide details: _____

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business? Yes No ___ if Yes, provide details. WELSBACH ELECTRIC Corp. OF L.I. IS A WHOLLY OWNED SUBSIDIARY OF WELCO GROUP, INC.

10) Has the bidder/proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated? Yes ___ No If Yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract). _____

NO TEXT ON THIS PAGE

11) Has the bidder/proposer, during the past seven years, been declared bankrupt? Yes ___ No
 If Yes, state date, court jurisdiction, amount of liabilities and amount of assets _____

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business. Yes ___ No If Yes, provide details for each such investigation. _____

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business. Yes ___ No If Yes, provide details for each such investigation. _____

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending? No Yes ___ If Yes, provide details for each such charge. _____

b) Any misdemeanor charge pending? No Yes ___ If Yes, provide details for each such charge. _____

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? No Yes ___ If Yes, provide details for each such conviction _____

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor? No Yes ___ If Yes, provide details for each such conviction. _____

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions? No Yes ___ If Yes, provide details for each such _____

NO TEXT ON THIS PAGE

occurrence. _____

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? No Yes ___; If Yes, provide details for each such instance. _____

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? No Yes ___ If Yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire. _____

Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose: *N/A*

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting as collection agent on behalf of Nassau County.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting as a collection agent on behalf of Nassau County.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

NO TEXT ON THIS PAGE

Attachments to Business History Form:

Please provide any other information which would be appropriate and helpful in determining the bidder's/proposer's capacity and reliability to perform these services.

- A. Include a resume or detailed description of the bidder's/proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Should the bidder/proposer be other than an individual, the bid/proposal should include:

- i) Date of formation;
- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner;
- iii) Name, address and position of all officers and directors of the company;
- iv) State of incorporation (if applicable);
- v) The number of employees in the firm;
- vi) Annual revenue of firm;
- vii) Summary of relevant accomplishments
- viii) Copies of all state and local licenses and permits.

SEE ATTACHED ENCEA INC. ANNUAL REPORT 201
WELSBACH ELECTRIC CO., OF L.I. IS A
WHOLLY OWNED SUBSIDIARY.

- B. Indicate number of years in business. 60 YEARS

- C. Provide any other information which would be appropriate and helpful in determining the bidder's/propposer's capacity and reliability to perform these services.

- D. Provide names and addresses for no fewer than three references for whom the bidder/proposer has provided similar services or who are qualified to evaluate the bidder's/proposer's capability to perform this work.

Company NEW YORK STATE D.O.T.
Contact Person ANDREW HARESKA
Address 140 NIKON CT
City/State Hempstead, NY 11788
Telephone (631) 952-6733
Fax # (631) 234-3637
E-Mail Address AHARESKA@DOT.STATE.NY.US

NO TEXT ON THIS PAGE

Company NEW YORK STATE D.O.T.
Contact Person CHRISTINE CAPUTO
Address 221 BROADWAY, SUITE 201
City/State ALBANY, NY
Telephone (631) 598-7805
Fax # (631) 598-7807
E-Mail Address C.CAPUTO@DOT.STATE.NY.US

Company NASSAU COUNTY DPW
Contact Person STACIA DUKACEZ
Address 1194 PROSPECT AVE, SUITE 183
City/State WESTBURY, NY 11590
Telephone (516) 572-0465
Fax # (516) 571-9363
E-Mail Address SDUKACEZ@NASSAU.COUNTY.NY.GOV

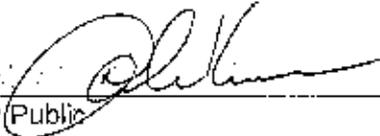
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CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID/PROPOSAL OR FUTURE BIDS/PROPOSALS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, Joseph P. Florio, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

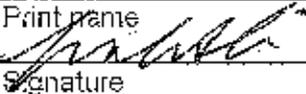
Sworn to before me this 22nd day of March 2016


Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU6096716
Qualified in Suffolk County
Commission Expires August 4, 2019

Name of submitting business: WELSBACH ELECTRIC Corp. of L.I.

By: Joseph P. Florio
Print name


Signature

President/C.E.O.
Title

03 / 22 / 2016
Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered and the answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID/ PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name JOSEPH P. FLOLO PRESIDENT/CEO.
Date of birth [REDACTED]
Home address [REDACTED]
City/state/zip [REDACTED]
Business address [REDACTED]
City/state/zip PLAINVIEW, NY 11803
Telephone (516) 454-0023
Other present address(es) NONE
City/state/zip -
Telephone -

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President 2 / 15 / 2002 Treasurer / /
Chairman of Board / / Shareholder / /
Chief Exec. Officer 2 / 15 / 2002 Secretary / /
Chief Financial Officer 11 / 5 / 1989 Partner / /
Vice President 5 / 1 / 1992 / /
(Other) / /

- 3. Do you have an equity interest in the business submitting the questionnaire? NO YES If Yes, provide details.
- 4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire? NO YES If Yes, provide details.
- 5. Within the past 3 years, have you been a principal owner or officer of any business or not-for-profit organization other than the one submitting the questionnaire? NO YES If Yes, provide details.
- 6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer? NO YES If Yes, provide details.

NO TEXT ON THIS PAGE

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency.
Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency? NO YES ____ If Yes, provide details for each such instance.
 - b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause? NO YES ____ If Yes, provide details for each such instance.
 - c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards? NO YES ____ If Yes, provide details for each such instance.
 - d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract? NO YES ____ If Yes, provide details for each such instance.
8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated? If "Yes", provide details for each such instance. (Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.)
- a) Is there any felony charge pending against you? NO YES ____ If Yes, provide details for each such charge.
 - b) Is there any misdemeanor charge pending against you? NO YES ____ If Yes, provide details for each such charge.
 - c) Is there any administrative charge pending against you? NO YES ____ If Yes, provide details for each such charge.
 - d) In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? NO YES ____ If Yes, provide details for each such conviction.
 - e) In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor? NO YES ____ If Yes, provide details for each such conviction.
 - f) In the past 5 years, have you been found in violation of any administrative or statutory charges? NO YES ____ If Yes, provide details for each such occurrence.

NO TEXT ON THIS PAGE

9. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5? NO YES ___ If Yes, provide details for each such investigation.
10. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer? NO YES ___ If Yes; provide details for each such investigation.
11. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held? NO YES ___ If Yes; provide details for each such instance.
12. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges? NO YES ___ If Yes, provide details for each such year.

NO TEXT ON THIS PAGE

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID/PROPOSAL OR FUTURE BIDS/PROPOSALS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

I, JOSEPH P. FLOMO, being duly sworn, state that I have read and understand all the items contained in the foregoing pages of this questionnaire and the following pages of attachments; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this questionnaire and before the execution of the contract; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this questionnaire as additional inducement to enter into a contract with the submitting business entity.

Sworn to before me this 22ND day of March 2016

[Signature]
Notary Public

DARLENE KLIMMER
Notary Public, State of New York
No. 01KU6088716
Qualified in Suffolk County
Commission Expires August 4, 2019

WELSBACH ELECTRIC Corp. of L.I.
Name of submitting business

JOSEPH P. FLOMO
Print name

[Signature]
Signature

PRESIDENT / CEO.
Title

03 / 22 / 2016
Date

MacBride Fair Employment Principles

**NONDISCRIMINATION IN EMPLOYMENT IN NORTHERN IRELAND;
MACBRIDE FAIR EMPLOYMENT PRINCIPLES**

In accordance with Chapter 807 of the Laws of 1992 the bidder, by submission of this bid, certifies that it or any individual or legal entity in which the bidder holds a 10% or greater ownership interest, or any individual or legal entity that holds a 10% or greater ownership interest in the bidder, either: (answer yes or no to one or both of the following, as applicable),

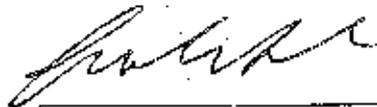
(1) have business operations in Northern Ireland,

Yes ___ No X

if yes:

(2) shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Fair Employment Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, and shall permit independent monitoring of their compliance with such Principles.

Yes ___ No ___



(Contractor's Signature)

JOSEPH P. FORNO
PRESIDENT/CEO.

WELSBACH ELECTRIC Corp. of L.I.
(Name of Business)

NO TEXT ON THIS PAGE

IRAN DIVESTMENT ACT – CERTIFICATION

Pursuant to New York State Finance Law §165- a, Iran Divestment Act of 2012, the Office of General Services is required to post on its web site <http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf> a list of persons who have been determined to engage in investment activities in Iran ("the List"), as defined in that Act. Under Public Authorities Law § 2879-c, Iranian Energy Sector Divestment, the Authority, may not enter into or award a Contract unless it obtains a certification from a Bidder, who shall check the box and make the certification in Subparagraph a, below, that they are not on the List. If that certification cannot be made, the Authority may consider entering into a Contract, on a case by case basis if the Bidder checks the box and makes the certification in Subparagraph b, below, that their Iran investment is ceasing.

For purposes of this provision, a person engages in investment activities in Iran if: (A) the person provides goods or services of twenty million dollars or more in the energy sector of Iran, including a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; or (B) the person is a financial institution that extends twenty million dollars or more in credit to another person, for forty-five days or more, if that person will use the credit to provide goods or services in the energy sector in Iran.

The Certification is as follows:

X

a. **Certification that the Bidder is not on the List:** Each person, where person means natural person, corporation, company, limited liability company, business association, partnership society, trust, or any other nongovernmental entity, organization, or group, and each person signing on behalf of any other party, certifies, and in the case of a joint bid or proposal or partnership each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each person is not on the List created pursuant to paragraph (b) of subdivision 3 of section 165-a of the State Finance Law, or,

b. **Certification that the Bidder's investment in Iran is ceasing:** The person cannot make the certification in Subparagraph a, above, but asks the Authority to consider them for award of the Contract by certifying, under penalty of perjury, that the person's investment activities in Iran were made before April 12, 2012; the person's investment activities in Iran have not been expanded or renewed after April 12, 2012; and the person has adopted, publicized and is implementing a formal plan to cease its investment activities in Iran and to refrain from engaging in any new investments in Iran.



Signature/Date

MARCH 22, 2012

JOSEPH P. FLANO President/CEO
Print Name and Position

NO TEXT ON THIS PAGE

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE COMPTROLLER

**Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions
(Sub-Recipient)**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 28 CFR Part 87, Section 87.510: Participants' responsibilities. The regulations were published as Part VII of the May 28, 1988 *Federal Register* (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department of agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Joseph P. Florio President/C.E.O.

Name and Title of Authorized Representative

m/c/yy

[Signature]

Signature

3/22/2016

Date

WELSBACH ELECTRIC Corp. OF L.I.

Name of Organization

300 NEWTOWN RD PLAINVIEW, NY 11803

Address of Organization

U.S. G.P. FORM 40817 (REV. 2/89) Previous editions are obsolete

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposes," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of reports in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.



NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS

WICKS EXEMPT LIST OF SUBCONTRACTORS

CONTRACT NO. **HE2000-03 E**

NOTE: This form is required for "Single Contract" projects exempt from the Wicks law. Failure to submit this form correctly may render the bidder non responsive.

Contractor's Name and Address WEISBACH ELECTRIC CO. INC. 300 NEWTON RD PLAINFIELD, NJ 07060	Project Title, Facility Name and Address: SIGNAL SYSTEM OPERATIONS, PHASE IV P.O. BOX 0760-81 HE2000-03E	Bid Date: 3/22/2016	Total Contract Amt:		
Indicate ANY work to be self-performed by the contractor in the following categories (check all that apply): <input type="checkbox"/> Plumbing and Gas Fitting <input type="checkbox"/> Steam Heating, Hot Water Heating, Ventilating and AC Apparatus <input checked="" type="checkbox"/> Electric Wiring and Standard Illuminating Fixtures					
ALL electrical work is to be self-performed, i.e. no subcontractors will be used, please check this box <input checked="" type="checkbox"/> . Slip to bottom of form, and sign it as required. Check (X) only one:					
Subcontractor's Name, Address and Federal ID No.	Plumbing and Gas Fitting	Steam Heating, Hot Water Heating, Ventilating and AC Apparatus	Electric Wiring and Standard Illuminating Fixtures	General Description of Work	Subcontractor's Contract Amt.
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		

This form must be filled out completely and legibly, signed by a company authorized representative and included in a separate, sealed envelope within the bid envelope. Use an additional page if needed.

Failure to complete this form accurately and in its entirety, may result in a non responsive bid determination.

Company Authorized Signature: *Joseph P. Florio* Title: President/C.E.O. Date: MARCH 22, 2016

NO TEXT ON THIS PAGE

QUALIFICATION STATEMENT

Note: All blanks in the form are to be filled in. Where blanks are not applicable to your firm, so indicate in each instance.

1. How many years has your firm been in the business under your present business name? 60 YEARS
2. How many years experience in the construction work of a similar type as this contract has your firm had;
 - a. as a Prime Contractor 60 YEARS
 - b. as a Subcontractor 60 YEARS
3. List below the construction projects your firm has under way as of this date:

Contract Amount	Class of work	Percent Completed	Name and Address of Owner or Contracting Officer
-----------------	---------------	-------------------	--

SEE ATTACHMENT #1

(use additional blank sheets if additional space is necessary)

4. List the projects which your firm as a firm has performed in the past few years which you feel will qualify you for this work:

Contract Amount	Class of work	Percent Completed	Name and Address of Owner or Contracting Officer
1,912,200.-	Computer Maintenance	95%	Country of NASSAU
752,200.-	"	100%	Country of NASSAU
9,265,900.-	"	100%	State of NEW YORK
520,300.-	"	100%	Country of NASSAU

(use additional blank sheets if additional space is necessary)

5. Have you:
 - a. ever failed to complete any work awarded to you? NO
If so; identify the project, the owner, the contract amount, the circumstances and date of all such failures to complete.
 - b. ever been defaulted on a contract? NO
If so; identify the project, the owner, the contract amount, the circumstances and the date of all default actions

Welsbach Electric Corp. of I.I.
Job List

Job	Owner	Contract	Description	Est Revenue	Start Date	Original Comp Date	Comp Date
Transportation Division							
025	Broadway Maintenance		Broadway Maintenance		01/01/15	12/31/16	12/31/16
055	Garage		Garage		01/01/15	12/31/16	12/31/16
056	Warehouse		Warehouse		01/01/15	12/31/16	12/31/16
268	N.Y.S.D.O.T.	C035102	Roadway Lighting Maint	2,980,824	01/26/12	01/25/14	01/23/17
277	N.C.D.P.W.	H6200031E	T.S. Maint Telemetry	1,912,312	06/10/13	06/09/16	06/09/16
278	City of Long Beach		S.L. Maintenance	298,211	04/01/13	03/31/14	06/30/16
287	ServCo (PSE&C)		Storm Restoration/Storage Assessment	800,000	01/01/14	12/31/16	12/31/16
388	Village of Valley Stream	JUN 0758.56	Sunrise Hwy Lighting System Rehab	653,508	01/02/14	11/06/15	07/27/16
300	Town of Oyster Bay	DC115-109	Park Electrical Service Requirements	358,308	03/19/14	03/18/15	03/10/17
302	N.Y.S.D.O.T.	D262580	Traffic Signal & Lighting Requirements	4,719,647	06/12/14	12/01/15	06/30/16
304	Town of Islip	DPW 1-2014	S.L. Maint & Inst	2,738,931	07/16/14	07/16/17	07/16/17
305	Village of Mineola		S.L. Maintenance	132,611	09/01/14	08/31/17	08/31/17
313	N.C.D.P.W.	T6225002M	T.S. Maint & Inst	5,992,200	01/01/15	12/31/16	12/31/16
315	N.C.D.P.W.	H62161	OC Rd Traffic Signals Phase I	5,862,200	03/01/16	08/31/17	08/31/17
316	N.C.D.P.W.	POPW1500362	Athletic Lig Upgrades Mitchell Park Baseball	174,400	07/23/15	11/01/15	01/31/16
318	Town of Stratford	15-362	Inst Energy Efficient Lighting	218,750	01/21/16	11/08/16	11/08/16
319	American Traffic Solutions		Red Light Camera		12/15/15	12/31/16	12/31/16
320	City of Long Beach		Neptune Blvd SL Improv (Novelli)	300,000	04/01/16	08/31/16	08/31/16
321	N.C.D.P.W.	H62564	Incident Management Phase IV	1,442,200			
390	Misc Maint Contracts		Villages, Towns & Private		01/01/15	12/31/16	12/31/16
391	Lump Sums and T&M		Villages, Towns & Private		01/01/15	12/31/16	12/31/16
Industrial Division							
643	N.C.D.P.W.	S35121-013	Bay Park Settling Tank Rehabilitation	497,550	10/28/13	10/27/15	10/27/16
647	Town of Riverhead	E	Wastewater Treatment TMDL Upgrade	3,849,700	02/24/14	02/24/16	04/22/16
649	N.C.D.P.W.	S25121-015	Bay Park LCS-13011 CC (Primer Const)	35,000	09/12/14	10/01/15	03/31/16
650	Farmingdale State College	2015-15	Dowry Hall Electrical Upgrades	1,597,000	06/15/15	11/17/15	03/31/16
651	Farmingdale State College	2015-09	Service Bldg Renovations (Fidele)	49,800	02/01/16	05/11/16	05/11/16
652	N.C.D.P.W.	998343-013	Power Drops for Voting Machines	197,200			
653	Stromann-Wading River SD		Athletic Field				



c. ever been declared a non-responsible bidder by any municipality or public agency? No
If so; identify the project, the owner, the contract amount, the circumstances and the date of all such declarations

d. ever been barred from bidding municipal or public contracts? No
If so; identify the municipality or public agency, the circumstances, date and term of disbarment for all disbarments.

(use additional blank sheets if additional space is necessary)

6. Has any officer, partner or principal of your firm ever been an officer, partner or principal of some other firm:

a. that failed to complete a construction contract? No
If so, state name of individual and identify the name of firm, the project, the owner, the contract amount, the circumstances and the date of all such failures to complete for all principals of the firm.

b. that has ever been defaulted on a contract? No
If so; state the name of the individual and identify the name of the firm, the project, the owner, the contract amount, the circumstances and the date of all default actions for all principals of the firm.

c. that has ever been declared a non-responsible bidder by any municipality or public agency? No
If so; state the name of the individual and identify the name of the firm, the project, the owner, the contract amount, the circumstances and the date of all such declarations for all principals of the firm.

- d. that has ever been barred from bidding municipal or public contracts? NO
If so; state the name of the individual and identify the name of the firm, the municipality or public agency, the circumstances, date and term of debarment for all debarments for all principals of the firm.

(use additional blank sheets if additional space is necessary)

7. Has any officer or partner of your firm ever failed to complete a construction contract handled in his name? NO
If so, state name of individual, name of owner and reason therefor:

8. Disclose any and all violations of the Prevailing Wage and Supplemental Payment Requirements of the Labor Law of New York State.

NONE

9. Disclose any and all other Labor Law Violations, including, but not limited to, child labor violations, failure to pay wages, or unemployment insurance tax delinquencies within the past five years.

NONE

10. In what other lines of business are you financially interested?

NONE. WELSBACH ELECTRIC Corp. of N.Y. IS A WHOLLY OWNED
SUBSIDIARY OF ETECOR GROUP, INC.

11. What is the construction experience of the principal individuals of your firm?

Individual's Name	Present Position or Office	Years of Construction Experience	Magnitude and type of work	In what Capacity
JOSEPH P. FLAHO	PRESIDENT/CEO.	39 YEARS	ELECTRICAL CONTR & MAINT	FINANCE/MGMT
WALTER WELTMER, SR.	ASST. VICE PRESIDENT	56 YEARS	"	PROJ. MGMT/ESTIMATING
DAN DIGNETTO	ASST. VICE PRESIDENT	22 YEARS	"	"
MICHAEL VALENTI	ASST. SECY//ASST. TREASURER	28 YEARS	"	FINANCE/MGMT
JOSEPH KENNY	SUPERINTENDENT	40 YEARS	"	ELECTRICIAN/LEAD SW

(use additional blank sheets if additional space is necessary)

12. List below the equipment that you own that is available for the proposed work, giving present location where it may be inspected:

Item	Description, Size Capacity, Year, etc.	Years of Service	Present Location
------	--	------------------	------------------

SEE ATTACHMENT #2

(use additional blank sheets if additional space is necessary)

NOTE: Should the equipment be moved from the above mentioned location, the submitted hereby agrees upon request of the County to state the new location where same may be found.

13. If any of the above equipment is covered by chattel mortgage, conditional bill of sale, lien, or like encumbrance, state the complete details as to nature and amount of encumbrance, the name and address of the holder, etc.

N/A

(use additional blank sheets if additional space is necessary)

14. In what manner have you inspected this proposed work?
Explain in detail.

WE CURRENTLY MAINTAIN THE SYSTEM MAINTENANCE UNDER H620001E
AND SIGNAL MAINTENANCE UNDER T6225002H

(use additional blank sheets if additional space is necessary)

15. Explain your plan and lay-out for performing the proposed work.

ALL WORK TO BE DONE IN ACCORDANCE TO THE CONTRACT DOCUMENTS
AND THE LATEST SPECIFICATIONS INCLUDED WITH THE CONTRACT.

16. If a contract is awarded or a permit is issued, to your firm, who
will have the personal supervision of the work? Attach resume.

TO BE PROVIDED UPON AWARD

17. Insurance carried by your firm:

Type	Company	Limits of Coverage	Term
------	---------	--------------------	------

SEE ATTACHMENT #3

Equipment and Vehicle List

Vehicle #	Description	Vehicle ID #
2	2002 FORD PICK UP	1FDWF36L22EA64229
3	1998 MITSU FLAT WH	JW6B9F1H3WL001678
4	1989 FORD PICK, BLK	2FTHF26H7KC565280
6	1997 FORD SUBN, WH	1FTJE34LCVHA62802
7	1997 FORD VAN, WH	1FTJE34L8VHA66846
12	2004 FORD VAN, WH	1FTSE34L34HA10670
14	1990 INTER VAN, WH	1HTSDTVN7LF228704
15	2000 FORD VAN, WH	1FTSS34L7YHA74506
16	2001 FREIG UTIL, WH	1FVA3TBV61HF66187
17	2000 FORD UTIL, WH	1FDAF56S6YEE26482
18	1985 INTER UTIL, WH	1HTLDUXP5FHA63588
21	1997 GMC UTIL, WH	1GDM7H1J5VJ510558
22	2001 FORD VAN, WH	1FTSE34L11HA26027
23	1997 FORD VAN, WH	1FTJE34L7VHA57090
24	1997 FORD VAN, WH	1FTJE34L0VHA57082
25	1997 FORD VAN, WH	1FTJE34L6VHA57095
26	1988 INTER FLAT, WH	1HTLCCEN5JF538161
27	1988 INTER FLAT, WH	1HTLCCEN9JF538163
28	1992 FORD PICK, WH	2FTHF26H2NCA90568
29	1992 FORD VAN, WH	3FCLF59M1NLA01646
31	2002 FORD UTIL, WH	1FDAF57F42EB83513
32	1999 FORD UTIL, WH	1FDXF46F0XEE37201
33	1998 FORD UTIL, WH	1FTJE34H7THB66867
35	2002 FORD VAN, WH	1FTSE34L42HA43184
37	1997 FORD VAN, WH	1FTJE34L8VHA57091
39	2003 FORD VAN, WH	1FTSE34L53HC08274
40	2010 FORD VAN, WH	1FTSE3EL4ADA12893
41	2004 FORD UTIL, WH	1FDXF46S44ED64763
42	1990 INTER UTIL, WH	1HTSDZK7LH261389
43	2002 FORD VAN, WH	1FTJE34L12HBC8848
44	1996 GMC UTIL, WH	1GDM7H1J7WJ501350
45	2003 INTER FLAT, WH	1HTMVAAL48F570717
46	1997 FORD VAN, WH	1FTJE34L2VHA57093
47	1997 FORD VAN, WH	1FTJE34L4VHA57094
48	2001 FREIG UTIL, WH	1FVA3TBV41HF66186
49	2002 FORD SUBN, WH	1FTSE34L72HB24783
50	1992 FORD PICK, GY	1FTEF25Y9NLA47040
51	2000 FORD VAN, WH	1FTSE34L7YHA29606
52	2000 FORD VAN, WH	1FTSE34L3YHA28735
53	2000 FORD VAN, WH	1FTSE34L2YHA15418
54	1997 FORD FLAT, WH	1FDKF37F1VE992686
55	1997 FORD VAN, WH	1FTJE34L29VHA32734



Equipment and Vehicle List

Vehicle #	Description	Vehicle ID #
56	1995 GMC DUMP, WH	1GDM7-H1J08J500381
58	1995 INTER UTIL, WH	1HTSDAAP5S-1605959
60	1997 FORD FLAT, WH	1FDKF37F5VE364364
63	2000 FORD VAN, WH	1FTNE24-L3YHB25790
65	2001 FORD VAN, WH	1FTSE34L01HA41038
66	2001 FORD VAN, WH	1FTSE34L91HA41097
67	2000 FORD VAN, WH	1FTSE34L1YHB31726
68	2000 FORD VAN, WH	1FTSE34L3YHB31744
70	2003 MITSU DELV, WH	JW60PG-SX3LC06358
72	2002 FORD SUBV, WH	1FTSE34LX2FA82002
73	2001 FORD VAN, WH	1FTSE35L41HBC0037
74	1988 WELCA TRLR, WH	1WQ200E2XW-C80969
75	1999 FORD VAN, WH	1FTSE34LXXHB18343
76	1995 FORD FLAT, WH	1FDKF37F4SEA50337
77	2000 FORD VAN, WH	1FTSE34L2YHB97355
78	2004 FORD FLAT, WH	1FDWF36L04E035122
79	1997 FORD SUBV, WH	1FDKF37FCVEB42485
80	1983 CUSTO FLAT, YW	405183
81	2003 FORD VAN, WH	1FTNE24W93HB31323
82	2004 FORD VAN, WH	1FTNE24W74HA01638
83	2001 GMC UTIL, WH	1GDM7-H1R911198387
84	2008 FORD UTIL, WH	1FDAF57RX8EB74138
85	1997 FORD UTIL, WH	1FDNF80C1VVA03993
86	1997 FORD UTIL, WH	1FDNF80C8VVA03990
87	1988 INTER UTIL, WH	1FTSEAAN6WH531646
89	2004 FORD VAN, WH	1FTSE34L4HA77631
90	2000 GMC UTIL, WH	1GDM7-H1C9YJ505928
91	1999 FORD UTIL, BK	1FDJAF56F0XEG49242
92	1999 INTER UTIL, WH	1HTSCAAN0XH560543
93	2001 INTER UTIL, WH	1HTSDAAN61H-369819
94	2001 INTER UTIL, WH	1HTSCABN91H293403
95	1992 GMC RBM, WH	1GDM7H1J5NJ519573
96	2001 INTER UTIL, WH	1FTSCA5N81H320638
97	1997 INTER UTIL, WH	1FTSDAAR1VH468956
98	1984 FORD UTIL, WH	1FDXK87J3EVA18499
99	2000 FORD PICK, WH	1FDWF36SXYE389390
102	1997 FORD DUMP, WH	1FDKF37F4VEA52384
103	1997 FORD DUMP, WH	1FDKF37F9VEA72095
104	1997 FORD DUMP, WH	1FDKF37FXVEA52380
105	2001 INTER UTIL, WH	1HTSDAAR41H569823
106	1989 CURTI FLAT, YW	881056212E
109	2000 TOWER TRLR, BK	1TBU0715WV002311

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20

20

Equipment and Vehicle List

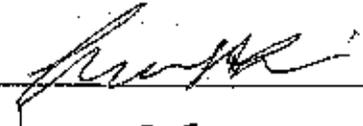
Vehicle #	Description	Vehicle ID #
110	1993 FRHT UTIL, WH	1FV6HFBAXX1A43047
112	1988 TRUCK TRLR, YW	1729
115	1999 FORD VAN, WH	1FTNE2420XF918124
117	2000 FORD VAN, WH	1FTSE34LXYHB28864
118	2001 INTER UTIL, WH	1HTSCABN61H333284
119	2003 FORD UTIL, WH	1FDXF46R18EC85865
120	1989 BELSH FLAT, YW	1BLC1215K1C20733
121	2006 JTC TRLR, WH	JTC20067L5585R181
122	1988 CURTIL TRL, YW	881053912
123	2000 SHERM TRLR, YW	123WM1528Y1T24089
124	2006 JTC8 TRLR, NO CL	JTC20067L5585R153
125	2001 INTER UTIL, WH	1HTSCABN81H333270
126	1984 FORD UTIL, YW	1FDLF47MXREA44238
128	1999 INTER TRCR, WH	1HTSCABN8X1858564
129	2001 INT UTIL, WH	1HTSDAAN31H356208
130	2003 FORD VAN, WH	1FTSE34L46H344032
131	2006 FORD VAN, WH	1FTSE34L26DB45855
132	2003 FORD VAN, WH	1FTSE34L88DA41643
134	2002 FORD VAN, WH	1FDXF47S52ED11839
150	2004 FORD VAN, WH	1FTRE14W14HA14915
160	2001 FORD 4DSD, GL	1FAFP53J21A151747
163	2001 FORD PICK, GR	1FTNF21L01EC82248
170	1985 BUTLE FLAT, YW	1BJD14203F1004309
171	1992 CLSTO TRLR, OR	NY42003
177	2003 FORD VAN, WH	1FTSE34LX3HB60500
178	2003 FORD VAN, WH	1FTSE34L13H380485
179	2006 FORD VAN, WH	1FTSE34L53HB60056
186	2012 FORD SUBN, BK	1FMCU9DG5CKA18566
187	2014 FORD SUBN, GY	1FMCU9G9JLE32085
189	2014 FORD SUBN, Wh	1FMCJ8CX2ELE35085





18. The undersigned hereby declares: That the foregoing information contained in this bid is a true statement, including, but not limited to, the financial condition of the individual firm herein first named as of the date herein given; the undersigned has read that portion of the Instructions to the Bidders entitled "Qualifications and Responsibility of Bidders" and that the bidder acknowledges its affirmative obligation to transmit with this statement any matters relevant and material to those contractor qualifications and responsibility standards; that this statement is for the express purpose of inducing the party to whom it is submitted to award the submitted a contract or issuance of a permit; that any depository, vendor or other agency herein named is authorized to supply such party with any information necessary to verify this statement; and that it understands and agrees that any material misrepresentation or omission of material fact may be deemed grounds for disqualification of the bidder as "not responsible," and may also subject the bidder to future debarment, penalties, and sanctions, to the extent permitted by law.

REVISIONS TO THE
BID DOCUMENTS
REVISIONS TO THE
BID DOCUMENTS
REVISIONS TO THE
BID DOCUMENTS



JOSEPH P. FLARO
PRESIDENT/CEO
MARCH 22, 2016

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **December 31, 2015**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission file number **1-2267**

EMCOR Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware	11-2125338
(State or other jurisdiction of incorporation or organization)	(U.S. Employer Identification Number)
301 Merritt Seven Norwalk, Connecticut	06851-1092
(Address of principal executive office)	(Zip Code)

Registrant's telephone number, including area code: (203) 849-7800
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock	New York Stock Exchange
Securities registered pursuant to Section 12(g) of the Act: None	

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 17 or Section 15(c) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports). Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-K (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference to Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock held by non-affiliates of the registrant was approximately \$2,245,000,000 as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price on the New York Stock Exchange reported for such date. Shares of common stock held by each executive officer and director and by each person who owns 5% or more of the outstanding common stock (based solely on filings of such 5% holders) have been excluded from such calculation as such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

Number of shares of the registrant's common stock outstanding as of the close of business on February 23, 2016: 50,659,492 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Part III. Portions of the definitive proxy statement for the 2016 Annual Meeting of Stockholders, which document will be filed with the Securities and Exchange Commission pursuant to Regulation 17A not later than 120 days after the end of the fiscal year to which this Form 10-K relates, are incorporated by reference into Parts 10 through 14 of Part III of this Form 10-K.

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FORWARD-LOOKING STATEMENTS

Certain information included in this report, or in other materials we have filed or will file with the Securities and Exchange Commission (the "SEC") (as well as information included in oral statements or other written statements made or to be made by us) contains or may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "1995 Act"). Such statements are being made pursuant to the 1995 Act and with the intention of obtaining the benefit of the "safe harbor" provisions of the 1995 Act. Forward-looking statements are based on information available to us and our perception of such information as of the date of this report and our current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They contain words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "may," "can," "could," "might," variations of such wording and other words or phrases of similar meaning in connection with a discussion of our future operating or financial performance, and other aspects of our business, including market share growth, gross profit, project mix, projects with varying profit margins, selling, general and administrative expenses, and trends in our business and other characterizations of future events or circumstances. From time to time, forward-looking statements also are included in our other periodic reports on Forms 10-Q and 8-K, in press releases, in our presentations, on our website and in other material released to the public. Any or all of the forward-looking statements included in this report and in any other reports or public statements made by us are only predictions and are subject to risks, uncertainties and assumptions, including those identified below in the "Risk Factors" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section, and other sections of this report, and in our Forms 10-Q for the three months ended March 31, 2015, June 30, 2015 and September 30, 2015 and in other reports filed by us from time to time with the SEC as well as in press releases, in our presentations, on our website and in other material released to the public. Such risks, uncertainties and assumptions are difficult to predict, beyond our control and may turn out to be inaccurate causing actual results to differ materially from those that might be anticipated from our forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. However, any further disclosures made on related subjects in our subsequent reports on Forms 10-K, 10-Q and 8-K should be consulted.

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PART 1

ITEM 1. BUSINESS

References to the "Company," "EMCOR," "we," "us," "our" and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

General

We are one of the largest electrical and mechanical construction and facilities services firms in the United States. In addition, we provide a number of building services and industrial services. In 2015, we had revenues of approximately \$6.7 billion. Our services are provided to a broad range of commercial, industrial, utility and institutional customers through approximately 70 operating subsidiaries and joint venture entities. Our executive offices are located at 501 Menitt Street, Norwalk, Connecticut 06851-1092, and our telephone number at those offices is (203) 849-7800.

We specialize principally in providing construction services relating to electrical and mechanical systems in all types of non-residential and certain residential facilities and in providing various services relating to the operation, maintenance and management of facilities, including refineries and petrochemical plants.

Due to a historical pattern of losses in the construction operations of our United Kingdom segment and our negative assessment of construction market conditions in the United Kingdom for the foreseeable future, we announced during the quarter ended June 30, 2013 our decision to withdraw from the construction market in the United Kingdom. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented as discontinued operations.

We design, integrate, install, start-up, operate and maintain various electrical and mechanical systems, including:

- Electric power transmission and distribution systems;
- Premises electrical and lighting systems;
- Low-voltage systems, such as fire alarm, security and process control systems;
- Voice and data communications systems;
- Roadway and transit lighting and fiber optic lines;
- Heating, ventilation, air conditioning, refrigeration and clean-room process ventilation systems;
- Fire protection systems;
- Plumbing, process and high-purity piping systems;
- Controls and filtration systems;
- Water and wastewater treatment systems;
- Central plant heating and cooling systems;
- Crane and rigging services;
- Millwright services; and
- Steel fabrication, erection, and welding services.

Our building services operations, which are provided to a wide range of facilities, including commercial, utility, institutional and governmental facilities, include:

- Commercial and government site-based operations and maintenance;
- Facility maintenance and services, including reception, security and catering services;
- Outage services to utilities and industrial plants;

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- Military base operations support services;
- Mobile mechanical maintenance and services;
- Floor care and janitorial services;
- Landscaping, lot sweeping and snow removal;
- Facilities management;
- Vendor management;
- Call center services;
- Installation and support for building systems;
- Program development, management and maintenance for energy systems;
- Technical consulting and diagnostic services;
- Infrastructure and building projects for federal, state and local governmental agencies and bodies; and
- Small modification and retrofit projects.

Our industrial services are provided to refineries and petrochemical plants and include:

- On-site repairs, maintenance and service of heat exchangers, towers, vessels and piping;
- Design, manufacturing, repair and hydro blast cleaning of shell and tube heat exchangers and related equipment;
- Refinery turnaround planning and engineering services;
- Specialty welding services;
- Overhaul and maintenance of critical process units in refineries and petrochemical plants; and
- Specialty technical services for refineries and petrochemical plants.

We provide construction services and building services directly to corporations, municipalities and federal and state governmental entities, owners/developers, and tenants of buildings. We also provide our construction services indirectly by acting as a subcontractor to general contractors, systems suppliers, property managers and other subcontractors. Our industrial services generally are provided directly to refineries and petrochemical plants. Worldwide, as of December 31, 2015, we had approximately 29,000 employees.

Our revenues are derived from many different customers in numerous industries, which have operations in several different geographical areas. Of our 2015 revenues, approximately 94% were generated in the United States and approximately 6% were generated in foreign countries, substantially all in the United Kingdom. In 2015, approximately 32% of revenues were derived from new construction projects, 18% were derived from renovation and retrofit of customer's existing facilities, 35% were derived from our building services operations, and 14% were derived from our industrial services operations.

The broad scope of our operations is more particularly described below. For information regarding the revenues, operating income and total assets of each of our segments with respect to each of the last three years, and our revenues and assets attributable to the United States and the United Kingdom for the last three years, see Note 17 - Segment Information of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data.

Operations

The electrical and mechanical construction services industry has grown over the years due principally to the increased content, complexity and sophistication of electrical and mechanical systems, as well as the installation of more technologically advanced voice and data communications, lighting, and environmental control systems in all types of facilities in large part due to the integration of digital processing and information technology. For these reasons, buildings need extensive electrical distribution systems. In addition, advanced voice and data communication systems require sophisticated power supplies and extensive low-voltage and fiber-optic communications cabling. Moreover, the need for substantial environmental controls within a building, due to the heightened need for climate control to maintain extensive computer systems at optimal temperatures, and the demand for energy savings and environmental controls in individual spaces have over the years expanded opportunities for our electrical and

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mechanical services businesses. The demand for these services is typically driven by non-residential construction and renovation activity.

Electrical and mechanical construction services primarily involve the design, integration, installation and start-up, and provision of services relating to: (a) electric power transmission and distribution systems, including power cables, conduits, distribution panels, transformers, generators, uninterruptible power supply systems and related switch gear and controls; (b) premises electrical and lighting systems, including fixtures and controls; (c) low-voltage systems, such as fire alarm, security and process control systems; (d) voice and data communications systems, including fiber-optic and low-voltage cabling; (e) roadway and transit lighting and fiber-optic lines; (f) heating, ventilation, air conditioning, refrigeration and clean-room process ventilation systems; (g) fire protection systems; (h) plumbing, process and high-purity piping systems; (i) controls and filtration systems; (j) water and wastewater treatment systems; (k) central plant heating and cooling systems; (l) cranes and rigging; (m) millwrighting; and (n) steel fabrication, erection and welding.

Electrical and mechanical construction services generally fall into one of two categories: (a) large installation projects with contracts often in the multi-million dollar range that involve construction of manufacturing and commercial buildings and institutional and public works projects or the fit-out of large blocks of space within commercial buildings and (b) smaller installation projects typically involving fit-out, renovation and retrofit work.

Our United States electrical and mechanical construction services operations accounted for about 51% of our 2015 revenues, approximately 65% of which were related to new construction, and approximately 35% of which were related to renovation and retrofit projects. Due to a historical pattern of losses in the construction operations of our United Kingdom segment and our negative assessment of construction market conditions in the United Kingdom for the foreseeable future, we announced during the quarter ended June 30, 2013 our decision to withdraw from the construction market in the United Kingdom. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented as discontinued operations. Accordingly, we focus in the United Kingdom principally on building services.

We provide electrical and mechanical construction services for both large and small installation and renovation projects. Our largest projects have included those: (a) for institutional purposes (such as educational and correctional facilities and research laboratories); (b) for manufacturing purposes (such as pharmaceutical plants, steel, pulp and paper mills, chemical, food, automotive and semiconductor manufacturing facilities and power generation); (c) for transportation purposes (such as highways, bridges, airports and transit systems); (d) for commercial purposes (such as office buildings, data centers, convention centers, sports stadiums and shopping malls); (e) for hospitality purposes (such as resorts, hotels and casinos); (f) for water and wastewater purposes; and (g) for healthcare purposes. Our largest projects, which typically range in size from \$10.0 million up to and occasionally exceeding \$150.0 million and are frequently multi-year projects, represented approximately 27% of our worldwide construction services revenues in 2015.

Our projects of less than \$10.0 million accounted for approximately 73% of our worldwide construction services revenues in 2015. These projects are typically completed in less than one year. They usually involve electrical and mechanical construction services when an end-user or owner undertakes construction or modification of a facility to accommodate a specific use. These projects frequently require electrical and mechanical systems to meet special needs such as critical systems power supply, fire protection systems, special environmental controls and high-purity air systems, sophisticated electrical and mechanical systems for data centers, new production lines in manufacturing plants, and office arrangements in existing office buildings. They are not usually dependent upon the new construction market. Demand for these projects and types of services is often prompted by the expiration of leases, changes in technology, or changes in the customer's plant or office layout in the normal course of a customer's business.

We have a broad customer base with many long-standing relationships. We perform construction services pursuant to contracts with owners, such as corporations, municipalities and other governmental entities, general contractors, systems suppliers, construction managers, developers, other subcontractors and tenants of commercial properties. Institutional and public works projects are frequently long-term complex projects that require significant technical and management skills and the financial strength to obtain bid and performance bonds, which are often a condition to bidding for and winning these projects.

We also install and maintain lighting for streets, highways, bridges and tunnels, traffic signals, computerized traffic control systems, and signal and communication systems for mass transit systems in several metropolitan areas. In addition, in the United States, we manufacture and install sheet metal air handling systems for both our own mechanical construction operations and for unrelated mechanical contractors. We also maintain welding and pipe fabrication shops in support of some of our mechanical operations.

Our United States building services segment offers a broad range of services, including operation, maintenance and service of electrical and mechanical systems; commercial and government site-based operations and maintenance; facility maintenance and

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services, including outage services to utilities and manufacturing facilities; military base operations support services; mobile mechanical maintenance and services; floor care and janitorial services; landscaping, lot sweeping and snow removal; facilities management; vendor management, call center services; installation and support for building systems; program development, management and maintenance with respect to energy systems; technical consulting and diagnostic services; infrastructure and building projects for federal, state and local governmental agencies and bodies; and small modification and retrofit projects.

These building services, which generated approximately 55% of our 2015 revenues, are provided to owners, operators, tenants and managers of all types of facilities both on a contract basis for a specified period of time and on an individual task order basis. Of our 2015 building services revenues, approximately 87% were generated in the United States and approximately 13% were generated in the United Kingdom.

Our building services operations have built upon our traditional electrical and mechanical services operations and our client relationships to expand the scope of services being offered and to develop packages of services for customers on a regional and national basis.

Demand for our building services is often driven by customers' decisions to focus on their core competencies, customers' programs to reduce costs, the increasing technical complexity of their facilities and their mechanical, electrical, voice and data and other systems, and the need for increased reliability, especially in electrical and mechanical systems. These trends have led to outsourcing and privatization programs whereby customers in both the private and public sectors seek to contract out those activities that support, but are not directly associated with, the customer's core business. Clients of our building services business include federal and state governments, utilities, independent power producers, pulp and paper producers, and major corporations engaged in information technology, telecommunications, pharmaceuticals, financial services, publishing and other manufacturing, and large retailers and other businesses with geographically dispersed portfolios throughout the United States.

We currently provide building services in a majority of the states in the United States to commercial, industrial, institutional and governmental customers and as part of our operations are responsible for: (a) the oversight of all or most of the facilities operations of a business, including operation and maintenance; (b) servicing, upgrade and retrofit of HVAC, electrical, plumbing and industrial piping and steel metal systems in existing facilities; (c) interior and exterior services, including floor care and janitorial services, landscaping, lot sweeping and snow removal; (d) diagnostic and solution engineering for building systems and their components; and (e) maintenance and support services to manufacturers and power producers.

In the Washington D.C. metropolitan area, we provide building services at a number of prominent buildings, including those that house the Secret Service, The Federal Deposit Insurance Corporation, the National Foreign Affairs Training Center, and the Department of Health and Human Services, as well as other government facilities including the NASA Jet Propulsion Laboratory in Pasadena, California. We also provide building services to a number of military bases, including base operations support services to the Navy National Capital Region and the Army's Fort Huachuca, Arizona, and are also involved in a joint venture providing building services to the Naval Support Activity Mid-South Base in Tennessee. The agreements pursuant to which this division provides services to the federal government are frequently for a base year and a number of option years exercisable at the sole discretion of the government, are often subject to renegotiation by the government in terms of scope of services, and are subject to termination by the government prior to the expiration of the applicable term.

Our United Kingdom subsidiary primarily focuses on building services and currently provides a broad range of services under multi-year agreements to public and private sector customers, including airlines, airports, real estate property managers, manufacturers and governmental agencies.

Our industrial services business is a recognized leader in the refinery turnaround market and has a growing presence in the petrochemical market. In July 2013, we acquired RopeconShickland, Inc. expanding services we provide to our refinery and petrochemical customers and significantly increasing the size of our industrial services business. Our industrial services business: (a) provides after-market maintenance, repair and cleaning services for highly engineered shell and tube heat exchangers for refineries and petrochemical plants both in the field and at our own shops, including tube and shell repairs, bundle repairs, and extraction services, and (b) designs and manufactures new highly engineered shell and tube heat exchangers. We also perform a broad range of turnaround and maintenance services for critical units of refineries so as to upgrade, repair and maintain them. Such services include turnaround and maintenance services relating to: (i) engineering and planning services; (ii) advance of complex refinery turnarounds, (iii) overhaul and maintenance of critical process units (including hydrofinic alkylation units, fluid catalytic cracking units, coking units, heaters, heat exchangers and related mechanical equipment) during refinery and petrochemical plant shut downs, (iv) replacement and new construction-capital projects for refineries and petrochemical plants, and (v) other related specialty mechanical services such as (a) welding, including pipe welding, and fabrication; heater, boiler, and reformer repairs and replacements; converter repair and revamps; and vessel, exchanger and tower services; (b) tower and column repairs in refineries and petrochemical facilities; (c) installation and repair of refractory materials for critical units in process plants so as to protect

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equipment from corrosion, erosion, and extreme temperatures; and (d) acid-proofing services to protect critical components at refineries from chemical exposure.

Competition

In our construction services, building services and industrial services businesses, we compete with national, regional and local companies, many of which are small, owner-operated entities that carry on their businesses in a limited geographic area, as well as with certain foreign companies.

We believe that the electrical and mechanical construction services businesses are highly fragmented and our competition includes thousands of small companies across the United States. In the United States, there are a few public companies focused on providing either electrical and/or mechanical construction services, such as Integrated Electrical Services, Inc., Comfort Systems USA, Inc. and Tuter Perini Corporation. A majority of our revenues are derived from projects requiring competitive bids; however, an invitation to bid is often conditioned upon prior experience, technical capability and financial strength. Because we have total assets, annual revenues, access to bank credit and surety bonding and expertise significantly greater than most of our competitors, we believe we have a significant competitive advantage over our competitors in providing electrical and mechanical construction services. Competitive factors in the electrical and mechanical construction services business include: (a) the availability of qualified and/or licensed personnel; (b) reputation for integrity and quality; (c) safety record; (d) cost structure; (e) relationships with customers; (f) geographic diversity; (g) the ability to control project costs; (h) experience in specialized markets; (i) the ability to obtain surety bonding; (j) adequate working capital; (k) access to bank credit; and (l) price. However, there are relatively few significant barriers to entry to several types of our construction services business.

While the building services business is also highly fragmented with most competitors operating in a specific geographic region, a number of large United States based corporations such as ARCOM Technology Corporation, Johnson Controls, Inc., Fluor Corp., I&J Worldwide Services, Chisham & Wakefield Inc., CB Richard Ellis, Inc., Jones Lang LaSalle Incorporated, Sodexo, Inc., Aramark Corporation and AEM Industries Incorporated are engaged in this field, as are large original equipment manufacturers such as Carrier Corp. and Trane Inc. In addition, we compete with several regional firms serving all or portions of the markets we target, such as Delekman Valley Crest, Inc., Kollermeier Bergensons Services, Inc., SMS Assist, LLC and Perakidhu & Sons, Inc. Our principal services competitors in the United Kingdom include ISS UK Ltd. and MITE Group plc. The key competitive factors in the building services business include price, service, quality, technical expertise, geographic scope and the availability of qualified personnel and managers. Due to our size, both financial and geographic, and our technical capability and management experience, we believe we are in a strong competitive position in the building services business. However, there are relatively few barriers to entry to most of our building services businesses.

In our industrial services business, we are a leading North American provider of after-market maintenance and repair services for, and manufacturing of, highly engineered shell and tube heat exchangers and related equipment and a leader in providing specialized services to refineries and petrochemical plants. The market for providing these services and products to refineries and petrochemical plants is highly fragmented and includes large national industrial services providers, as well as numerous regional companies, including IV Industrial Companies Ltd., Matix Service Company, Staron, Turner Industries, Team, Inc., Cost-O-Fab, Dual Heat, and Wyatt Field Service Company. In the manufacture of heat exchangers, we compete with both U.S. and foreign manufacturers. The key competitive factors in the industrial services market include service, quality, ability to respond quickly, technical expertise, price, safety record and availability of qualified personnel. Due to our technical capabilities, safety record and skilled workforce, we believe that we are in a strong competitive position in the industrial services market we serve. Because of the complex tasks associated with turnarounds and the precision required in the manufacture of heat exchangers, we believe that the barriers to entry in this business are significant.

Employees

At December 31, 2015, we employed approximately 29,000 people, approximately 56% of whom are represented by various unions pursuant to more than 275 collective bargaining agreements between our individual subsidiaries and local unions. We believe that our employee relations are generally good. Only two of these collective bargaining agreements are national or regional in scope.

Backlog

Our backlog at December 31, 2015 was \$3.77 billion compared to \$3.62 billion of backlog at December 31, 2014. Backlog increases with awards of new contracts and decreases as we perform work on existing contracts. Backlog is not a term recognized under United States generally accepted accounting principles; however, it is a common measurement used in our industry. We include a project within our backlog at such time as a contract is awarded and agreement on contract terms has been reached. Backlog includes unrecognized revenues to be realized from uncompleted construction contracts plus unrecognized revenues expected to be realized over the remaining term of services contracts. However, we do not include in backlog contracts for which

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we are paid on a time and material basis and a fixed amount cannot be determined, and if the remaining term of a services contract exceeds 12 months, the unrecognized revenues attributable to such contract included in backlog are limited to only the next 12 months of revenues provided for in the contract award. Our backlog also includes amounts related to services contracts for which a fixed price contract value is not assigned when a reasonable estimate of total revenues can be made from budgeted amounts agreed to with our customer. Our backlog is comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business and (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which we consider recovery to be probable. Such claim amounts were immaterial for all periods presented. Our backlog does not include anticipated revenues from unconsolidated joint ventures or variable interest entities and anticipated revenues from pass-through costs on contracts for which we are acting in the capacity of an agent and which are reported on the net basis. We believe our backlog is firm, although many contracts are subject to cancellation at the election of our customers. Historically, cancellations have not had a material adverse effect on us. We estimate that 79% of our backlog as of December 31, 2015 will be recognized as revenues during 2016.

Available Information

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, which we refer to as the "SEC". These filings are available to the public over the internet at the SEC's website at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room.

Our internet address is www.emcorgroup.com. We make available free of charge through www.emcorgroup.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish to, the SEC. References to our website addressed in this report are provided as a convenience and do not constitute, and should not be viewed as, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

Our Board of Directors has an audit committee, a compensation and personnel committee and a nominating and corporate governance committee. Each of these committees has a formal charter. We also have Corporate Governance Guidelines, which include guidelines regarding related party transactions, a Code of Ethics for our Chief Executive Officer and Senior Financial Officers, and a Code of Ethics and Business Conduct for Directors, Officers and Employees. Copies of these charters, guidelines and codes, and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers or directors, can be obtained free of charge from our website, www.emcorgroup.com.

You may request a copy of the foregoing filings (excluding exhibits), charters, guidelines and codes and any waivers or amendments to such codes which are applicable to our executive officers, senior financial officers or directors, at no cost by writing to us at EMCOR Group, Inc., 301 Meritt Sever, Norwalk, CT 06851-1092, Attention: Corporate Secretary, or by telephoning us at (203) 849-7800.

ITEM 1A. RISK FACTORS

Our business is subject to a variety of risks, including the risks described below as well as adverse business and market conditions and risks associated with foreign operations. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not known to us or not described below which we have not determined to be material may also impact our business operations. You should carefully consider the risks described below, together with all other information in this report, including information contained in the "Business," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures about Market Risk" sections. If any of the following risks actually occur, our business, financial position, results of operations and/or cash flows could be adversely affected, and we may not be able to achieve our goals. Such events may cause actual results to differ materially from expected and historical results, and the trading price of our common stock could decline.

Economic downturns have led to reductions in demand for our services. Negative conditions in the credit markets may adversely impact our ability to operate our business. The level of demand from our clients for our services has been, in the past, adversely impacted by slowdowns in the industries we service, as well as in the economy in general. When the general level of economic activity has been reduced from historical levels, certain of our ultimate customers have delayed or cancelled projects or capital spending, especially with respect to more profitable private sector work, and such slowdowns adversely affect our ability to grow, reducing our revenues and profitability. A number of economic factors, including financing conditions for the industries we serve, have, in the past, adversely affected our ultimate customers and their ability or willingness to fund expenditures. General concerns about the fundamental soundness of domestic and foreign economies may cause ultimate customers to defer projects even if they

have credit available to them. Worsening of financial and macroeconomic conditions could have a significant adverse effect on our revenues and profitability.

Many of our clients depend on the availability of credit to help finance their capital and maintenance projects. At times, tightened availability of credit has negatively impacted the ability of existing and prospective ultimate customers to fund projects we might otherwise perform, particularly those in the more profitable private sector. As a result, our ultimate customers may defer such projects for an unknown, and perhaps lengthy, period. Any such deferrals would inhibit our growth and would adversely affect our results of operations.

In a weak economic environment, particularly in a period of restrictive credit markets, we may experience greater difficulties in collecting payments from, and negotiating change orders and/or claims with, our clients due to, among other reasons, a diminution in our ultimate customers' access to the credit markets. If clients delay in paying or fail to pay a significant amount of our outstanding receivables, or we fail to successfully negotiate a significant portion of our change orders and/or claims with clients, it could have an adverse effect on our liquidity, results of operations and financial position.

Our business has traditionally lagged recoveries in the general economy and, therefore, may not recover as quickly as the economy at large.

Our business is vulnerable to the cyclical nature of the markets in which our clients operate and is dependent upon the timing and funding of new awards. We provide construction and maintenance services to ultimate customers operating in a number of markets which have been, and we expect will continue to be, cyclical and subject to significant fluctuations due to a variety of factors beyond our control, including economic conditions and changes in client spending.

Regardless of economic or market conditions, investment decisions by our ultimate customers may vary by location or as a result of other factors like the availability of labor, relative construction costs or competitive conditions in their industries. Because we are dependent on the timing and funding of new awards, we are therefore vulnerable to changes in our clients' markets and investment decisions.

Our business may be adversely affected by significant delays and reductions in government appropriations. Curtailed spending aimed at reducing federal, state and local budget deficits could result in governmental agencies or departments deferring or cancelling projects that we might otherwise have sought to perform. Budgetary constraints and ongoing concerns regarding the U.S. national debt may place downward pressure on spending levels of the U.S. government. Some of our businesses derive a significant portion of their revenues from federal, state and local governmental bodies.

An increase in the prices of certain materials used in our businesses could adversely affect our businesses. We are exposed to market risk of increases in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in all of our operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of over 8,300 vehicles. While we believe we can increase our prices to adjust for some price increases in commodities, there can be no assurance that price increases of commodities, if they were to occur, would be recoverable. Additionally, our fixed price contracts do not allow us to adjust our prices and, as a result, increases in material or fuel costs could reduce our profitability with respect to such projects. Fluctuations in energy prices as well as in commodity prices of materials may adversely affect our customers and as a result cause them to curtail the use of our services. Recent declines in the price of oil have caused some of our refinery customers to curtail or delay maintenance or capital projects. Further declines in the price of oil may adversely affect some of our refinery customers causing them to defer maintenance and/or capital projects performed by companies in our United States industrial services segment or delay purchases or repairs of heat exchangers that are manufactured and required by some of our companies.

Our industry is highly competitive. Our industry is served by numerous small, owner-operated private companies, a few public companies and several large regional companies. In addition, relatively few barriers prevent entry into most of our businesses. As a result, any organization that has adequate financial resources and access to technical expertise may become a competitor. Competition in our industry depends on numerous factors, including price. Certain of our competitors have lower overhead cost structures and, therefore, are able to provide their services at lower rates than we are currently able to provide. In addition, some of our competitors have greater resources than we do. We cannot be certain that our competitors will not develop the expertise, experience and resources necessary to provide services that are superior in quality and lower in price to ours. Similarly, we cannot be certain that we will be able to maintain or enhance our competitive position within our industries or maintain a customer base at current levels. We may also face competition from the in-house service organizations of existing or prospective customers, particularly with respect to building services. Many of our customers employ personnel who perform some of the same types of building services that we do. We cannot be certain that our existing or prospective customers will continue to outsource building services in the future.

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We are a decentralized company, which presents certain risks. While we believe decentralization has enhanced our growth and enabled us to remain responsive to opportunities and to our customers' needs, it necessarily places significant control and decision-making powers in the hands of local management. This presents various risks, including the risk that we may be slower or less able to identify or react to problems affecting a key business than we would in a more centralized environment.

Our business may also be affected by weather conditions. Adverse weather conditions, particularly during the winter season, could impact our construction services operations as those conditions affect our ability to perform efficient work outdoors in certain regions of the United States, adversely affecting the revenues and profitability of those operations. However, the absence of snow in the United States during the winter could cause us to experience reduced revenues and profitability in our United States building services segment, which has meaningful snow removal operations. In addition, cooler than normal temperatures during the summer months could reduce the need for our services, particularly in our businesses that install or service air-conditioning units, and result in reduced revenues and profitability during the period such unseasonal weather conditions persist.

Our business may be affected by the work environment. We perform our work under a variety of conditions, including but not limited to, difficult terrain, difficult site conditions and busy urban centers where delivery of materials and availability of labor may be impacted, clean-room environments where strict procedures must be followed, and sites which may have been exposed to harsh and hazardous conditions, especially at chemical plants, refineries and other process facilities. Performing work under these conditions can negatively affect efficiency and, therefore, our profitability.

Our dependence upon fixed price contracts could adversely affect our business. We currently generate, and expect to continue to generate, a significant portion of our revenues from fixed price contracts. We must estimate the total costs of a particular project to bid for fixed price contracts. The actual cost of labor and materials, however, may vary from the costs we originally estimated. These variations, along with other risks, inherent in performing fixed price contracts, may cause actual gross profits from projects to differ from those we originally estimated and could result in reduced profitability or losses on projects. Depending upon the size of a particular project, variations from the estimated contract costs can have a significant impact on our operating results for any fiscal quarter or year.

We could incur additional costs to cover certain guarantees. In some instances, we guarantee completion of a project by a specific date or price, cost savings, achievement of certain performance standards or performance of our services at a certain standard of quality. If we subsequently fail to meet such guarantees, we may be held responsible for costs resulting from such failures. Such a failure could result in our payment of liquidated or other damages. To the extent that any of these events occur, the total costs of a project could exceed the original estimated costs, and we would experience reduced profits or, in some cases, a loss.

Many of our contracts, especially our building services contracts for governmental and non-governmental entities, may be canceled on short notice, and we may be unsuccessful in replacing such contracts if they are canceled or as they are completed or expire. We could experience a decrease in revenues, net income and liquidity if any of the following occur:

- customers cancel a significant number of contracts;
- we fail to win a significant number of our existing contracts upon re-bid;
- we complete a significant number of non-recurring projects and cannot replace them with similar projects; or
- we fail to reduce operating and overhead expenses consistent with any decrease in our revenues.

We may be unsuccessful in generating internal growth. Our ability to generate internal growth will be affected by, among other factors, our ability to:

- expand the range of services offered to customers to address their evolving needs;
- attract new customers; and
- increase the number of projects performed for existing customers.

In addition, existing and potential customers in the past have reduced, and may continue to reduce, the number or size of projects available to us because of general economic conditions or due to their inability to obtain capital or pay for services we provide. Many of the factors affecting our ability to generate internal growth are beyond our control, and we cannot be certain that our strategies will be successful or that we will be able to generate cash flow sufficient to fund our operations and to support internal growth. If we are not successful, we may not be able to achieve internal growth, expand operations or grow our business.

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The departure of key personnel could disrupt our business. We depend on the continued efforts of our senior management. The loss of key personnel, or the inability to hire and retain qualified executives, could negatively impact our ability to manage our business.

We may be unable to attract and retain skilled employees. Our ability to grow and maintain productivity and profitability will be limited by our ability to employ, train and retain skilled personnel necessary to meet our requirements. We are dependent upon our project managers and field supervisors who are responsible for managing our projects; and there can be no assurance that any individual will continue in his or her capacity for any particular period of time, and the loss of such qualified employees could have an adverse effect on our business. We cannot be certain that we will be able to maintain an adequate skilled labor force necessary to operate efficiently and to support our business strategy or that labor expenses will not increase as a result of a shortage in the supply of these skilled personnel. Labor shortages or increased labor costs could impair our ability to maintain our business or grow our revenues.

Our unionized workforce could adversely affect our operations, and we participate in many multiemployer union pension plans which could result in substantial liabilities being incurred. As of December 31, 2015, approximately 56% of our employees were covered by collective bargaining agreements. Although the majority of these agreements prohibit strikes and work stoppages, we cannot be certain that strikes or work stoppages will not occur in the future. However, only two of our collective bargaining agreements are national or regional in scope, and not all of our collective bargaining agreements expire at the same time. Strikes or work stoppages would adversely impact our relationships with our customers and could have a material adverse effect on our financial position, results of operations and cash flows. We contribute to over 200 multiemployer union pension plans based upon wages paid to our union employees that could result in our being responsible for a portion of the unfunded liabilities under such plans. Our potential liability for unfunded liabilities could be material. Under the Employee Retirement Income Security Act, we may become liable for our proportionate share of a multiemployer pension plan's underfunding, if we cease to contribute to that pension plan or significantly reduce the employees in respect of which we make contributions to that pension plan. See Note 14 - Retirement Plans of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data for additional information regarding multiemployer plans.

Fluctuating foreign currency exchange rates impact our financial results. We have operations in the United Kingdom, which in 2015 accounted for 6% of our revenues. Our reported financial position and results of operations are exposed to the effects (both positive and negative) that fluctuating exchange rates have on the process of translating the financial statements of our United Kingdom operations, which are denominated in local currencies, into the U.S. dollar.

Our failure to comply with environmental laws could result in significant liabilities. Our operations are subject to various laws, including environmental laws and regulations, among which many deal with the handling and disposal of asbestos and other hazardous or universal waste products, PCBs and fuel storage. A violation of such laws and regulations may expose us to various claims, including claims by third parties, as well as remediation costs and fines. We own and lease many facilities. Some of these facilities contain fuel storage tanks, which may be above or below ground. If these tanks were to leak, we could be responsible for the cost of remediation as well as potential fines. As a part of our business, we also install fuel storage tanks and are sometimes required to deal with hazardous materials, all of which may expose us to environmental liability.

In addition, new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, or the imposition of new clean-up requirements could require us to incur significant costs or become the basis for new or increased liabilities that could harm our financial position and results of operations, although certain of these costs might be covered by insurance. In some instances, we have obtained indemnification or covenants from third parties (including predecessors or lessors) for such clean-up and other obligations and liabilities, and we believe such indemnities and covenants are adequate to cover such obligations and liabilities. However, such third-party indemnities or covenants may not cover all of such costs or third-party indemnities may default on their obligations. In addition, unanticipated obligations or liabilities, or future obligations and liabilities, may have a material adverse effect on our business operations. Further, we cannot be certain that we will be able to identify, or be indemnified for, all potential environmental liabilities relating to any acquired business.

Adverse resolution of litigation and other legal proceedings may harm our operating results or financial position. We are a party to lawsuits and other legal proceedings, most of which occur in the normal course of our business. Litigation and other legal proceedings can be expensive, lengthy and disruptive to normal business operations. An unfavorable resolution of a particular legal proceeding could have a material adverse effect on our business, operating results, financial position and cash flows, and in some cases, on our reputation or our ability to obtain projects from customers, including governmental entities. See Item 3, Legal Proceedings and Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data, for more information regarding legal proceedings in which we are involved.

Opportunities within the government sector could lead to increased governmental regulation applicable to us. As a government contractor we are subject to a number of procurement rules and other regulations, any deemed violation of which could lead to fines or penalties or a loss of business. Government agencies routinely audit and investigate government contractors. Government agencies may review a contractor's performance under its contracts, cost structure and compliance with applicable laws, regulations

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and standards. If government agencies determine through these audits or reviews that costs are improperly allocated to specific contracts, they will not reimburse the contractor for those costs or may require the contractor to refund previously reimbursed costs. If government agencies determine that we are engaged in improper activity, we may be subject to civil and criminal penalties and debarment or suspension from doing business with the government. Government contracts are also subject to renegotiation of terms by the government, termination by the government prior to the expiration of the term, and non-renewal by the government.

A material portion of our business depends on our ability to provide surety bonds. We may be unable to compete for or work on certain projects if we are not able to obtain the necessary surety bonds. Our construction contracts frequently require that we obtain from surety companies and provide to our customers payment and performance bonds as a condition to the award of such contracts. Such surety bonds secure our payment and performance obligations. Under standard terms in the surety market, surety companies issue bonds on a project-by-project basis and can decline to issue bonds at any time or require the posting of collateral as a condition to issuing any bonds. Current or future market conditions, as well as changes in our sureties' assessment of our or their own operating and financial risk, could cause our surety companies to decline to issue, or substantially reduce the amount of, bonds for our work or to increase our bonding costs. These actions can be taken on short notice. If our surety companies were to limit or eliminate our access to bonding, our alternatives would include seeking bonding capacity from other surety companies, increasing business with clients that do not require bonds and posting other forms of collateral for project performance, such as letters of credit, parent company guarantees or cash. We may be unable to secure these alternatives in a timely manner or acceptable terms, or at all. Accordingly, if we were to experience an interruption or reduction in the availability of bonding, we may be unable to compete for or work on certain projects. Increases in the costs of surety bonds also could adversely impact our profitability.

We are effectively self-insured against many potential liabilities. Although we maintain insurance policies with respect to a broad range of risks, including automobile liability, general liability, workers' compensation and employee group health, these policies do not cover all possible claims and certain of the policies are subject to large deductibles. Accordingly, we are effectively self-insured for a substantial number of actual and potential claims. In addition, if any of our insurance carriers defaulted on its obligations to provide insurance coverage by reason of its insolvency or for other reasons, our exposure to claims would increase and our profits would be adversely affected. Our estimates for unpaid claims and expenses are based on known facts, historical trends and industry averages, utilizing the assistance of an actuary. We reflect these liabilities in our balance sheet as "Other accrued expenses and liabilities" and "Other long-term obligations." The determination of such estimated liabilities and their appropriateness are reviewed and updated at least quarterly. However, these liabilities are difficult to assess and estimate due to many relevant factors, the effects of which are often unknown, including the severity of an injury or damage, the determination of liability in proportion to other parties, the timeliness of reported claims, the effectiveness of our risk management and safety programs and the terms and conditions of our insurance policies. Our accruals are based upon known facts, historical trends and our reasonable estimate of future expenses, and we believe such accruals are adequate. However, unknown or changing trends, risks or circumstances, such as increases in claims, a weakening economy, increases in medical costs, changes in case law or legislation or changes in the nature of the work we perform, could render our current estimates and accruals inadequate. In such case, adjustments to our balance sheet may be required and these increased liabilities would be recorded in the period that the experience becomes known. Insurance carriers may be unwilling, in the future, to provide our current levels of coverage without a significant increase in insurance premiums and/or collateral requirements to cover our obligations to them. Increased collateral requirements may be in the form of additional letters of credit and/or cash, and an increase in collateral requirements could significantly reduce our liquidity. If insurance premiums increase, and/or if insurance claims are higher than our estimates, our profitability could be adversely affected.

Health care reform could adversely affect our operating results. In 2010, the United States government enacted comprehensive health care reform legislation. To date, we have not experienced material costs related to the health care reform legislation; however, it is possible that our operating results and/or cash flows could be adversely affected in the future by increased costs, expanded liability exposure and requirements that change the ways we provide healthcare and other benefits to our employees.

We may incur liabilities or suffer negative financial impact relating to occupational, health and safety matters. Our operations are subject to extensive laws and regulations relating to the maintenance of safe conditions in the workplace. While we have invested, and will continue to invest, substantial resources in our robust occupational, health and safety programs, many of our businesses involve a high degree of operational risk, and there can be no assurance that we will avoid significant expense. These hazards can cause personal injury and loss of life, severe damage to or destruction of property and equipment and other consequential damages and could lead to suspension of operations, large damage claims and, in extreme cases, criminal liability.

Our customers seek to minimize safety risks on their sites and they frequently review the safety records of contractors during the bidding process. If our safety record were to substantially deteriorate over time, we might become ineligible to bid on certain work and our customers could cancel our contracts and/or not award us future business.

Acquisitions could adversely affect our business and results of operations. As part of our growth strategy, we acquire companies that expand, complement and/or diversify our businesses. Realization of the anticipated benefits of an acquisition will depend, among other things, upon our ability to: (a) effectively conduct due diligence on companies we propose to acquire to identify problems at these companies or (b) recognize incompatibilities or other obstacles to successful integration of the acquired business.

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with our other operations and gain greater efficiencies and scale that will translate into reduced costs in a timely manner. However, there can be no assurance that an acquisition we may make in the future will provide the benefits anticipated when entering into the transaction. Acquisitions we have made and future acquisitions may expose us to operational challenges and risks, including the diversion of management's attention from our existing businesses, the failure to retain key personnel or customers of the acquired business and the assumption of unknown liabilities of the acquired business for which there are inadequate reserves. Our ability to sustain our growth and maintain our competitive position may be affected by our ability to identify and acquire desirable businesses and successfully integrate any business acquired.

Our results of operations could be adversely affected as a result of goodwill and other identifiable intangible asset impairments. When we acquire a business, we record an asset called "goodwill" equal to the excess amount paid for the business, including liabilities assumed, over the fair value of the tangible and identifiable intangible assets of the business acquired. The Financial Accounting Standards Board ("FASB") requires that all business combinations be accounted for using the acquisition method of accounting and that certain identifiable intangible assets acquired in a business combination be recognized as assets apart from goodwill. FASB Accounting Standard Codification ("ASC") Topic 350, "Intangibles-Goodwill and Other" ("ASC 350") provides that goodwill and other identifiable intangible assets that have indefinite useful lives not be amortized, but instead must be tested at least annually for impairment, and identifiable intangible assets that have finite useful lives should continue to be amortized over their useful lives and be tested for impairment whenever facts and circumstances indicate that the carrying values may not be fully recoverable. ASC 350 also provides specific guidance for testing goodwill and other non-amortized identifiable intangible assets for impairment, which we test annually each October 1. ASC 350 requires management to make certain estimates and assumptions to allocate goodwill to reporting units and to determine the fair value of reporting unit net assets and liabilities. Such fair value is determined using discounted estimated future cash flows. Our development of the present value of future cash flow projections is based upon assumptions and estimates by management from a review of our operating results, business plans, anticipated growth rates and margins and the weighted average cost of capital, among others. Much of the information used in assessing fair value is outside the control of management, such as interest rates, and these assumptions and estimates can change in future periods. There can be no assurance that our estimates and assumptions made for purposes of our goodwill and identifiable intangible asset impairment testing will prove to be accurate predictions of the future. If our assumptions regarding business plans or anticipated growth rates and/or margins are not achieved, or there is a rise in interest rates, we may be required to record goodwill and/or identifiable intangible asset impairment charges in future periods, whether in connection with our next annual impairment testing on October 1, 2016 or earlier, if an indicator of an impairment is present prior to the quarter in which the annual goodwill impairment test is to be performed. It is not possible at this time to determine if any such additional impairment charge would result or, if it does, whether such a change would be material to our results of operations.

We did not record an impairment of our goodwill or identifiable intangible assets for the year ended December 31, 2015.

Amounts included in our backlog may not result in actual revenues or translate into profits. Many contracts are subject to cancellation or suspension on short notice at the discretion of the client, and the contracts in our backlog are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contract. We have historically experienced variances in the components of backlog related to project delays or cancellations resulting from weather conditions, external market factors and economic factors beyond our control, and we may experience more delays or cancellations in the future. The risk of contracts in backlog being cancelled or suspended generally increases during periods of widespread slowdowns. Accordingly, there is no assurance that backlog will actually be realized. If our backlog fails to materialize, we could experience a reduction in revenues and a decline in profitability, which could result in a deterioration of our financial position and liquidity.

We account for the majority of our construction projects using the percentage-of-completion method of accounting; therefore, variations of actual results from our assumptions may reduce our profitability. We recognize revenues on construction contracts using the percentage-of-completion method of accounting in accordance with ASC Topic 605-35, "Revenue Recognition-Construction-Type and Production-Type Contracts". See Application of Critical Accounting Policies in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations. Under the percentage-of-completion method of accounting, we record revenue as work on the contract progresses. The cumulative amount of revenues recorded on a contract at a specified point in time is the percentage of total estimated revenues that costs incurred to date bear to estimated total costs. Accordingly, contract revenues and total cost estimates are reviewed and revised as the work progresses. Adjustments are reflected in contract revenues in the period when such estimates are revised. Estimates are based on management's reasonable assumptions and experience, but are only estimates. Variations of actual results from assumptions on an unusually large project or on a number of average size projects could be material. We are also required to immediately recognize the full amount of the estimated loss on a contract when estimates indicate such a loss. Such adjustments and accrued losses could result in reduced profitability, which could negatively impact our cash flow from operations.

The loss of one or a few customers could have an adverse effect on us. A few clients have in the past and may in the future account for a significant portion of our revenues in any one year or over a period of several consecutive years. Although we have long-standing relationships with many of our significant clients, our clients may unilaterally reduce, fail to renew or terminate

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their contracts with us at any time. A loss of business from a significant client could have a material adverse effect on our business, financial position, and results of operations.

We are increasingly dependent on sophisticated information technology and infrastructure. We rely on information technology systems and hardware and third party software to run critical accounting, project management and financial information systems. If software vendors decide to discontinue further development, integration or long-term software maintenance support for our information systems, or there is any system or hardware interruption, delay, breach of security, loss of data, we may need to migrate some or all of our accounting, project management and financial information to other systems. In addition, data privacy or security breaches may pose a risk that data, including intellectual property or personal information, may be exposed to unauthorized persons or the public. These disruptions or breaches could result in financial, legal, business or reputational harm to us.

Our failure to comply with anti-bribery statutes such as the Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010 could result in fines, criminal penalties and other sanctions that could have an adverse effect on our business. The U.S. Foreign Corrupt Practices Act (the "FCPA"), the U.K. Bribery Act (the "Bribery Act") and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. We conduct a modest amount of business in a few countries that have experienced corruption to some degree. If we were found to be liable for violations under the FCPA, the Bribery Act or similar anti-bribery laws, either due to our own acts or omissions or due to the acts or omissions of others, we could incur substantial legal expense and suffer civil and criminal penalties or other sanctions, which could have a material adverse effect on our business, financial condition and results of operations, as well as our reputation.

Certain provisions of our corporate governance documents could make an acquisition of us, or a substantial interest in us, more difficult. The following provisions of our certificate of incorporation and bylaws, as currently in effect, as well as Delaware law, could discourage potential proposals to acquire us, delay or prevent a change in control of us, or limit the price that investors may be willing to pay in the future for shares of our common stock:

- our certificate of incorporation permits our board of directors to issue "blank check" preferred stock and to adopt amendments to our bylaws;
- our bylaws contain restrictions regarding the right of our stockholders to nominate directors and to submit proposals to be considered at stockholder meetings;
- our certificate of incorporation and bylaws limit the right of our stockholders to call a special meeting of stockholders and to act by written consent; and
- we are subject to provisions of Delaware law which prohibit us from engaging in any of a broad range of business transactions with an "interested stockholder" for a period of three years following the date a stockholder becomes classified as an interested stockholder.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our operations are conducted primarily in leased properties. The following table lists facilities over 50,000 square feet, both leased and owned, and identifies the business segment that is the principal user of each such facility.

	Approximate Square Feet	Lease Expiration Date, Unless Owned
1168 Tesla Street El Cajon, California (a)	87,560	8/9/2020
22302 Hathaway Avenue Hayward, California (a)	105,000	7/31/2021
4462 Governor's Center Drive Los Alamitos, California (a)	57,868	12/31/2019
18111 South Santa Fe Avenue Rancho Dominguez, California (d)	66,246	12/31/2016
940 Hamilton Court San Jose, California (c)	119,560	7/1/2024
5101 York Street Denver, Colorado (b)	77,553	2/28/2019
445 Sheridan Boulevard Lakewood, Colorado (a)	64,000	Owned
3100 Woodcock Drive Downers Grove, Illinois (a)	56,551	7/31/2017
22194 Ambler Drive Fort Wayne, Indiana (b)	135,000	7/31/2023
7614 and 7720 Opportunity Drive Fort Wayne, Indiana (b)	1,14,695	10/31/2018
2058 Charlotte Avenue Richardson, Indiana (b)	68,768	6/30/2010
4250 Highway 30 St. Gabriel, Louisiana (f)	90,000	Owned
2700 Swiss Road Sulphur, Louisiana (d)	112,000	Owned
111-01 and 111-21 14th Avenue College Point, New York (a)	73,013	2/28/2024
70 Schrieber Boulevard Farmerdale, New York (b)	76,380	7/31/2028
2102 Tobacco Road Durham, North Carolina (b)	55,944	3/31/2016
2908 Jennings Drive Newton, Ohio (c)	41,851	11/1/2017
1800 Mackley Street Norristown, Pennsylvania (c)	93,000	9/30/2021
227 Trade Court Aiken, South Carolina (b)	66,000	9/30/2016
6045 East Shelby Drive Memphis, Tennessee (c)	53,618	4/30/2018
937 Pine Street Beaumont, Texas (d)	78,962	Owned
895 North Main Street Deamouth, Texas (d)	75,000	Owned
410 Flato Road Canyon Chisai, Texas (d)	57,000	Owned
5550 Airline Drive and 25 Tidwell Road Houston, Texas (b)	93,935	12/31/2019

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	Approximate Square Feet	Lease Expiration Date, Unless Owned
2401 Highway 225, Las Vegas, Nevada (d)	28,100	Owned
2455 West 1500 South, Salt Lake City, Utah (d)	58,339	3/31/2018

We believe that our property, plant and equipment are well maintained, in good operating condition and suitable for the purposes for which they are used.

See Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data for additional information regarding lease costs. We utilize substantially all of our leased or owned facilities and believe there will be no difficulty either in negotiating the renewal of our real property leases as they expire or in finding alternative space, if necessary.

- (a) Principally used by a company engaged in the "United States electrical construction and facilities services" segment.
- (b) Principally used by a company engaged in the "United States mechanical construction and facilities services" segment.
- (c) Principally used by a company engaged in the "United States building services" segment.
- (d) Principally used by a company engaged in the "United States industrial services" segment.

ITEM 3. LEGAL PROCEEDINGS

One of our subsidiaries, USM, Inc. ("USM"), doing business in California provides, among other things, janitorial services to its customers by having those services performed by independent janitorial companies. USM and one of its customers, which owns retail stores (the "Customer"), were co-defendants in a federal class action lawsuit brought by six employees of USM's California janitorial subcontractors. The action captioned Federico Velchiz Vasquez, Jesus Velchiz Vasquez, Francisco Domingo Claudio, for themselves and all others similarly situated vs. USM, Inc. dba USM Services, Inc., a Pennsylvania Corporation, et al., was commenced on September 5, 2013 in a Superior Court of California and was removed by USM on November 22, 2013 to the United States District Court for the Northern District of California. The employees alleged in their complaint, among other things, that USM and the Customer, during a period that began before our acquisition of USM, violated a California statute that prohibits USM from entering into a contract with a janitorial subcontractor when it knew or should have known that the contract did not include funds sufficient to allow the janitorial subcontractor to comply with all local, state and federal laws or regulations governing the labor or services to be provided. The employees asserted that the amounts USM paid to its janitorial subcontractors were insufficient to allow those janitorial subcontractors to meet their obligations regarding, among other things, wages due for all hours the employees worked, minimum wages, overtime pay and meal and rest breaks. These employees sought to represent not only themselves, but also all other individuals who provided janitorial services at the Customer's stores in California during the relevant four-year time period. We do not believe USM or the Customer violated the California statute or that the employees could have brought the action as a class action on behalf of other employees of janitorial companies with whom USM subcontracted for the provision of janitorial services to the Customer. The plaintiffs sought a declaratory judgment that USM had violated the California statute, monetary damages, including all unpaid wages and interest thereon, restitution for unpaid wages, and an award of attorneys' fees and costs.

USM and its Customer have settled the claims asserted in the class action pursuant to the terms of a consent decree approved by the federal judge in the United States District Court for the Northern District of California on February 16, 2016, which followed a determination by the Court of the consent decree's fairness, adequacy and reasonableness. Under the terms of the consent decree, USM will (a) pay an aggregate of \$1.0 million (i) for monetary relief to the members of the class, (ii) for awards to the class representative plaintiffs, (iii) for California Labor Code Private Attorney General Act payments to the State of California for an indeterminate amount, and (iv) for all costs of notice and administration of the claims process, (b) pay to counsel for the class an aggregate of \$1.2 million, of which \$0.2 million has been allocated for their reimbursable costs and litigation expenses and \$1.0 million has been allocated for attorneys' fees, and (c) monitor USM's California subcontractors providing janitorial services to its Customer in accordance with agreed upon procedures designed principally to ensure janitorial employees of those subcontractors are paid no less than minimum wage.

We are involved in several other proceedings in which damages and claims have been asserted against us. Other potential claims may exist that have not yet been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations or liquidity. Litigation is subject to many uncertainties and the outcome of litigation is not predictable with assurance. It is possible that some litigation matters for which reserves have not been established could be decided unfavorably to us, and that any such unfavorable decisions could have a material adverse effect on our financial position, results of operations or liquidity. See Note 15 - Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for a discussion regarding certain other legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Information concerning mine safety violations or other regulatory matters required by Section 1503(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95 to this Form 10-K.

EXECUTIVE OFFICERS OF THE REGISTRANT

Anthony J. Guzzi, Age 51; President since October 2004 and Chief Executive Officer since January 2011. From October 2004 to January 2011, Mr. Guzzi served as Chief Operating Officer of the Company. From August 2001, until he joined the Company, Mr. Guzzi served as President of the North American Distribution and Aftermarket Division of Carrier Corporation ("Carrier"). Carrier is a manufacturer and distributor of commercial and residential HVAC and refrigeration systems and equipment and a provider of after-market services and components of its own products and those of other manufacturers in both the HVAC and refrigeration industries. Mr. Guzzi is also a member of our Board of Directors.

Sheldon L. Cammaker, Age 76; Vice Chairman since January 2016. From September 1987 to January 2016, Mr. Cammaker was Executive Vice President and General Counsel of the Company, and from May 1997 to January 2016, Mr. Cammaker was also Secretary of the Company. Prior to September 1987, Mr. Cammaker was a senior partner of the New York City law firm of Roteib, Flays & Sklar.

R. Kevin Matz, Age 57; Executive Vice President-Shared Services of the Company since December 2007 and Senior Vice President-Shared Services from June 2003 to December 2007. From April 1996 to June 2003, Mr. Matz served as Vice President and Treasurer of the Company and Staff Vice President-Financial Services of the Company from March 1993 to April 1996.

Mark A. Pompa, Age 51; Executive Vice President and Chief Financial Officer of the Company since April 2006. From June 2003 to April 2005, Mr. Pompa was Senior Vice President-Chief Accounting Officer of the Company, and from June 2003 to January 2007, Mr. Pompa was also Treasurer of the Company. From September 1994 to June 2003, Mr. Pompa was Vice President and Controller of the Company.

Maxine L. Mauricin, Age 44; Senior Vice President, General Counsel and Secretary of the Company since January 2016. From January 2012 to December 2015, Ms. Mauricin was Vice President and Deputy General Counsel of the Company, and from May 2002 to December 2011, she served as Assistant General Counsel of the Company. Prior to joining the Company, Ms. Mauricin was an associate at Ropes & Gray LLP.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information. Our common stock trades on the New York Stock Exchange under the symbol "EME".

The following table sets forth high and low sales prices for our common stock for the periods indicated as reported by the New York Stock Exchange:

	High	Low
2015		
First Quarter	\$ 47.20	\$ 40.84
Second Quarter	\$ 48.84	\$ 43.74
Third Quarter	\$ 46.80	\$ 43.40
Fourth Quarter	\$ 52.37	\$ 42.85
2014	High	Low
First Quarter	\$ 47.81	\$ 40.12
Second Quarter	\$ 48.00	\$ 43.41
Third Quarter	\$ 46.94	\$ 43.96
Fourth Quarter	\$ 45.87	\$ 38.68

Holders. As of February 22, 2016, there were approximately 224 stockholders of record and, as of that date, we estimate there were approximately 33,305 beneficial owners holding our common stock in nominee or "street" name.

Dividends. We have paid quarterly dividends since October 25, 2011. We expect that quarterly dividends will be paid in the foreseeable future. Prior to October 25, 2011, no cash dividends had been paid on the Company's common stock. We currently pay a regular dividend of \$0.08 per share. Our 2013 Credit Agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.08 per share for the foreseeable future.

Securities Authorized for Issuance Under Equity Compensation Plans. The following table summarizes, as of December 31, 2015, certain information regarding equity compensation plans that were approved by stockholders and equity compensation plans that were not approved by stockholders. The information in the table and in the notes thereto has been adjusted for stock splits.

Plan Category	Equity Compensation Plan Information		
	A	B	C
	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column A)
Equity Compensation Plans Approved by Security Holders	1,005,613 (1)	\$ 7.14 (2)	1,849,266 (2)
Equity Compensation Plans Not Approved by Security Holders	—	—	—
Total	1,005,613	\$ 7.14	1,849,266

- Included within this amount are 696,837 restricted stock units awarded to our non-employee directors and employees. The weighted average exercise price would have been \$53.42 had the weighted average exercise price calculation excluded such restricted stock units.
- Represents shares of our common stock available for future issuance under our 2010 Incentive Plan (the "2010 Plan"), which may be issuable in respect of options and/or stock appreciation rights granted under the 2010 Plan and/or may also be issued pursuant to the award of restricted stock, restricted stock and/or awards that are valued in whole or in part by reference to, or are otherwise based on the fair market value of, our common stock.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes repurchases of our common stock made during the quarter ended December 31, 2015 by us:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet Be Purchased Under the Plan or Programs
October 1, 2015 to October 31, 2015	93,612	\$48.56	93,612	\$254,346,205
November 1, 2015 to November 30, 2015	524,493	\$49.49	524,493	\$313,424,535
December 1, 2015 to December 31, 2015	1,307,919	\$49.65	1,307,919	\$254,149,818

- (1) On September 26, 2011, our Board of Directors authorized us to repurchase up to \$100.0 million of our outstanding common stock. On December 5, 2013, October 25, 2014 and October 28, 2015, our Board of Directors authorized us to repurchase up to an additional \$100.0 million, \$250.0 million and \$200.0 million of our outstanding common stock, respectively. As of December 31, 2015, there remained available authorization for us to repurchase approximately \$254.1 million of our shares. No shares have been repurchased since the programs have been announced other than pursuant to these publicly announced programs. Repurchases may be made from time to time as permitted by securities laws and other legal requirements.

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ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data has been derived from our audited financial statements and should be read in conjunction with the consolidated financial statements, the related notes thereto and the report of our independent registered public accounting firm thereon included elsewhere in this and our previously filed annual reports on Form 10-K.

See Note 3 - Acquisitions of Businesses and Note 4 - Disposition of Assets of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data for a discussion regarding acquisitions and dispositions. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented as discontinued operations. In addition, the results of operations for 2011 reflect discontinued operations accounting due to the disposition in August 2011 of our Canadian subsidiary.

Income Statement Data
(In thousands, except per share data)

	Years Ended December 31,				
	2015	2014	2013	2012	2011
Revenues	\$ 6,318,726	\$ 6,424,065	\$ 6,338,527	\$ 6,195,494	\$ 4,603,395
Gross profit	\$ 944,479	\$ 907,246	\$ 821,645	\$ 803,979	\$ 724,755
Impairment loss on identifiable intangible assets	\$ —	\$ 1,471	\$ —	\$ —	\$ 3,765
Gain on sale of building	\$ —	\$ 11,749	\$ —	\$ —	\$ —
Operating income	\$ 241,082	\$ 289,826	\$ 320,950	\$ 360,303	\$ 234,119
Net income attributable to RMCOR Group, Inc.	\$ 172,286	\$ 168,664	\$ 123,792	\$ 146,584	\$ 130,826
Basic earnings (loss) per common share:					
From continuing operations	\$ 1.74	\$ 2.61	\$ 2.19	\$ 2.32	\$ 1.86
From discontinued operations	(0.00)	(0.07)	(0.34)	(0.12)	0.10
	\$ 1.74	\$ 2.54	\$ 1.85	\$ 2.20	\$ 1.96
Revised earnings (loss) per common share:					
From continuing operations	\$ 2.73	\$ 2.59	\$ 2.16	\$ 2.28	\$ 1.89
From discontinued operations	(0.00)	(0.07)	(0.34)	(0.12)	0.09
	\$ 2.73	\$ 2.52	\$ 1.82	\$ 2.16	\$ 1.98

Balance Sheet Data
(In thousands)

	As of December 31,				
	2015	2014	2013	2012	2011
Equity (1)	\$ 1,680,656	\$ 1,429,387	\$ 1,679,626	\$ 1,357,479	\$ 1,265,131
Total assets	\$ 3,516,470	\$ 3,388,967	\$ 3,465,915	\$ 3,107,070	\$ 3,014,078
Goodwill	\$ 345,170	\$ 834,102	\$ 834,825	\$ 566,588	\$ 566,808
Borrowings under revolving credit facility	\$ —	\$ —	\$ —	\$ 150,000	\$ 150,000
Term loan, including current maturities	\$ 313,000	\$ 332,500	\$ 350,000	\$ —	\$ —
Other long-term debt, including current maturities	\$ 44	\$ 57	\$ 11	\$ 18	\$ —
Capital lease obligations, including current maturities	\$ 1,869	\$ 2,833	\$ 4,652	\$ 5,881	\$ 4,457

(1) During 2015, we repurchased approximately 2.3 million shares of our common stock for approximately \$ 2.3 million. Since the inception of the repurchase program in 2011 through December 31, 2015, we have repurchased 9.9 million shares of our common stock for approximately \$595.9 million. The repurchase of shares results in a reduction of our equity. We have paid quarterly dividends since October 25, 2011. We expect that quarterly dividends will be paid in the foreseeable future. Prior to October 25, 2011, no cash dividends had been paid on the Company's common stock. We currently pay a regular quarterly dividend of \$0.08 per share.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We are one of the largest electrical and mechanical, construction and facilities services firms in the United States. In addition, we provide a number of building services and industrial services. Our services are provided to a broad range of commercial, industrial, utility and institutional customers through approximately 70 operating subsidiaries and joint venture entities. Our offices are located in the United States and the United Kingdom.

Operating Segments

We have the following reportable segments which provide services associated with the design, integration, installation, start-up, operation and maintenance of various systems: (a) United States electrical construction and facilities services (involving systems for electrical power transmission and distribution; premises electrical and lighting systems; low-voltage systems, such as fire alarm, security and process control; voice and data communication; roadway and transit lighting; and fiber optic lines); (b) United States mechanical construction and facilities services (involving systems for heating, ventilation, air conditioning, refrigeration and clean-room process ventilation; fire protection; plumbing; process and high-purity piping; controls and filtration; water and wastewater treatment; central plant heating and cooling; cranes and rigging; millwrighting; and steel fabrication, erection and welding); (c) United States building services; (d) United States industrial services; and (e) United Kingdom building services. The "United States building services" and "United Kingdom building services" segments principally consist of those operations which provide a portfolio of services needed to support the operation and maintenance of customers' facilities, including commercial and government site-based operations and maintenance; facility maintenance and services, including reception, security and catering services; outage services to utilities and industrial plants; military base operations support services; mobile maintenance and services; floor care and janitorial services; landscaping, lot sweeping and snow removal; facilities management; vendor management; call center services; installation and support for building systems; program development, management and maintenance for energy systems; technical consulting and diagnostic services; infrastructure and building projects for federal, state and local governmental agencies and bodies; and small modification and retrofit projects, which services are not generally related to customers' construction programs. The segment "United States industrial services" principally consists of those operations which provide industrial maintenance and services, including those for refineries and petrochemical plants, including on-site repairs, maintenance and service of heat exchangers, towers, vessels and piping; design, manufacturing, repair and hydro blast cleaning of shell and tube heat exchangers and related equipment; refinery turnaround planning and engineering services; specialty welding services; overhaul and maintenance of critical process units in refineries and petrochemical plants; and specialty technical services for refineries and petrochemical plants.

We acquired three companies in 2015, each for an immaterial amount. Two of the companies acquired primarily provide mechanical construction services, and their results of operations have been included in our United States mechanical construction and facilities services segment. The results of operations for the other company acquired have been included in our United States building services segment.

We completed the acquisition of RepconStrickland, Inc. ("RSI") during 2013, and its results have been included in our United States industrial services segment since its acquisition. In addition, we completed two other acquisitions during 2013, and their results have been included in our United States mechanical construction and facilities services segment. These acquired businesses expanded our service capabilities into new technical areas.

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2015 versus 2014

Overview

The following table presents selected financial data for the fiscal years ended December 31, 2015 and 2014 (in thousands, except percentages and per share data):

	2015	2014
Revenues	\$ 6,518,326	\$ 6,420,208
Revenues increase from prior year	1.6%	1.4%
Residualizing expenses	\$ 824	\$ 1,168
Impairment loss on identifiable intangible assets	\$ —	\$ 47
Gain on sale of building	\$ —	\$ 1,540
Operating income	\$ 287,082	\$ 289,578
Operating income as a percentage of revenues	4.4%	4.5%
Income from continuing operations	\$ 172,567	\$ 78,117
Net income attributable to EMCOR Group, Inc.	\$ 172,567	\$ 78,667
Diluted earnings per common share from continuing operations	\$ 2.72	\$ 2.50

The results of our operations for 2015 set new Company records in terms of revenues and diluted earnings per share from continuing operations. Our 2015 results included increased revenues from all of our reportable segments. In addition, excluding the impact of the \$11.7 million gain on the sale of a building and the \$1.5 million impairment loss on identifiable intangible assets in 2014, our operating income (operating income as a percentage of revenues) increased in 2015 compared to 2014. Our overall 2015 operating income and operating margin were favorably impacted by improved operating performance within: (a) our United States mechanical construction and facilities services segment, partially attributable to revenues of \$12.1 million recognized as a result of the settlement of a claim on an institutional project located in the southeastern United States, and (b) our United States building services segment, as a result of increased profitability within this segment's mobile mechanical and commercial site-based services operations.

Our operating results for 2015 were negatively impacted by: (a) our United States electrical construction and facilities services segment; (b) our United States industrial services segment and (c) our United Kingdom building services segment. Decreases in both operating income and operating margin within our United States electrical construction and facilities services segment were partially attributable to approximately \$10.5 million of losses incurred on several transportation projects. Decreases in both operating income and operating margin within our United States industrial services segment were primarily due to: (a) the negative impact of a nationwide strike by union employees of certain major oil refineries in the first half of 2015, which led to both deferrals and losses of certain turnaround projects that generate relatively high gross profit margins, and (b) a decrease in the billing rates and related gross profit margins within our industrial shop services operations due to competitive market conditions resulting from decreased demand for new heat exchangers as a result of volatility in crude oil prices that led to a curtailment in capital spending.

Two of the companies acquired in 2015, which are reported in our United States mechanical construction and facilities services segment, generated incremental revenues of \$12.5 million and less than \$0.1 million of operating income, net of \$0.3 million of amortization expense associated with identifiable intangible assets. The results of operations for the third company acquired in 2015, which are reported in our United States building services segment, were de minimis.

Discussion and Analysis of Results of Operations

Revenues

As described in more detail below, revenues for 2015 were \$6.7 billion, compared to \$6.4 billion for 2014. The increase in revenues for 2015 was primarily attributable to: (a) increased revenues from both of our domestic construction segments, (b) increased demand for our industrial field services within our United States industrial services segment and (c) increased revenues from our mobile mechanical services operations within our United States building services segment. Revenues increased within our United States industrial services segment despite a nationwide strike by union employees of certain major oil refineries that negatively impacted the first half of 2015.

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The following table presents our revenues for each of our operating segments and the approximate percentages that each segment's revenues were of total revenues for the years ended December 31, 2015 and 2014 (in thousands, except for percentages):

	2015	% of Total	2014	% of Total
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 1,567,142	20%	\$ 1,312,288	18%
United States mechanical construction and facilities services	2,312,750	34%	2,201,212	34%
United States building services	1,739,359	25%	1,721,341	27%
United States industrial services	922,085	14%	559,980	10%
Other United States operations	6,241,040	94%	6,099,521	95%
United Kingdom building services	377,477	6%	350,444	5%
Total worldwide operations	<u>\$ 6,318,725</u>	100%	<u>\$ 6,434,989</u>	100%

Revenues of our United States electrical construction and facilities services segment were \$1,567.1 million for the year ended December 31, 2015 compared to revenues of \$1,312.3 million for the year ended December 31, 2014. The increase in revenues was primarily attributable to an increase in revenues from commercial, healthcare and manufacturing construction projects, partially offset by a decrease in revenues from institutional construction projects.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2015 were \$2,312.8 million, a \$111.6 million increase compared to revenues of \$2,201.2 million for the year ended December 31, 2014. The increase in revenues was primarily attributable to an increase in revenues from commercial and institutional construction projects, partially offset by a decline in revenues from manufacturing, water and wastewater and transportation construction projects. The results for the year ended December 31, 2015 included \$12.5 million of revenues generated by companies acquired in 2015.

Revenues of our United States building services segment were \$1,739.3 million and \$1,721.3 million in 2015 and 2014, respectively. The increase in revenues was primarily attributable to increased revenues from: (a) our mobile mechanical services operations, in part due to significant activity in the California and New England regions and increased project and retrofit activities, and (b) our energy services operations. These increases were partially offset by decreased revenues from: (a) our government site-based services operations as a result of the completion in 2014 of two large long-term site-based joint venture projects not renewed pursuant to rebid, (b) our commercial site-based services operations as a result of: (i) a decline in add-on project activities, (ii) a decrease in revenues from ice snow removal activities, as a result of less snowfall in geographical areas in which many of our contracts are based on a per snow event basis, and (iii) a decrease in revenues from supplier management contracts.

Revenues of our United States industrial services segment for the year ended December 31, 2015 increased by \$361 million compared to the year ended December 31, 2014. The increase in revenues was primarily due to large capital and maintenance project activity within our industrial field services operations. Revenues increased within this segment despite a nationwide strike by union employees of certain major oil refineries that negatively impacted the first half of 2015.

Our United Kingdom building services segment revenues were \$377.5 million in 2015 compared to \$350.4 million in 2014. The increase in revenues was due to an increase in activity in the commercial market attributable to several new contract awards as well as increased work under existing contracts. The increase in revenues was partially offset by a decrease of \$29.2 million relating to the effect of unfavorable exchange rates for the British pound versus the United States dollar.

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Backlog

The following table presents our operating segment backlog from unrelated entities and their respective percentages of total backlog (in thousands, except for percentages):

	December 31, 2015	% of Total	December 31, 2014	% of Total
Backlog:				
United States electrical construction and facilities services	\$ 1,445,791	38%	\$ 1,376,379	34%
United States mechanical construction and facilities services	1,683,521	45%	1,473,016	41%
United States building services	383,196	10%	732,960	20%
United States industrial services	54,578	1%	101,154	3%
Total United States operations	\$ 3,567,086	97%	\$ 3,683,509	98%
United Kingdom building services	125,097	3%	150,984	4%
Total worldwide operations	\$ 3,771,183	100%	\$ 3,834,493	100%

Our backlog at December 31, 2015 was \$3.77 billion compared to \$3.83 billion at December 31, 2014. This increase in backlog was primarily attributable to an increase in backlog from our United States mechanical construction and facilities services segment and our United States building services segment, partially offset by lower backlog from our other reportable segments. Backlog increases with awards of new contracts and decreases as we perform work on existing contracts. Backlog is not a term recognized under United States generally accepted accounting principles; however, it is a common measurement used in our industry. We include a project within our backlog at such time as a contract is awarded and agreement on contract terms has been reached. Backlog includes unrecognized revenues to be realized from uncompleted construction contracts plus unrecognized revenues expected to be realized over the remaining term of services contracts. However, we do not include in backlog contracts for which we are paid on a time and material basis and a fixed amount cannot be determined, and if the remaining term of a services contract exceeds 12 months, the unrecognized revenues attributable to such contract included in backlog are limited to only the next 12 months of revenues provided for in the contract award. Our backlog also includes amounts related to services contracts for which a fixed price contract value is not assigned when a reasonable estimate of total revenues can be made from budgeted amounts agreed to with our customer. Our backlog is comprised of: (a) original contract amounts, (b) change orders for which we have received written confirmations from our customers, (c) pending change orders for which we expect to receive confirmations in the ordinary course of business and (d) claim amounts that we have made against customers for which we have determined we have a legal basis under existing contractual arrangements and as to which we consider recovery to be probable. Such claim amounts were immaterial for all periods presented. Our backlog does not include anticipated revenues from unconsolidated joint ventures or variable interest entities and anticipated revenues from pass-through costs on contracts for which we are acting in the capacity of an agent and which are reported on the net basis. We believe our backlog is firm, although many contracts are subject to cancellation at the election of our customers. Historically, cancellations have not had a material adverse effect on us.

Cost of sales and Gross profit

The following table presents cost of sales, gross profit (revenues less cost of sales), and gross profit margin (gross profit as a percentage of revenues) for the years ended December 31, 2015 and 2014 (in thousands, except for percentages):

	2015	2014
Cost of sales	\$ 2,734,247	\$ 2,517,719
Gross profit	\$ 944,479	\$ 907,246
Gross profit margin	24.1%	24.1%

Our gross profit for the year ended December 31, 2015 was \$944.5 million, a \$37.2 million increase compared to the gross profit of \$907.2 million for the year ended December 31, 2014. Our gross profit margin was 24.1% for both 2015 and 2014. Favorable variances in both gross profit and gross profit margin within: (a) our United States mechanical construction and facilities services segment, which included revenues of \$12.1 million recognized as a result of the settlement of a claim on an institutional project located in the southeastern United States, and (b) our United States building services segment were partially offset by decreases in gross profit and gross profit margin within our United Kingdom building services and our United States electrical construction and facilities services segment. Gross profit within our United States industrial services segment slightly increased; however, gross margin within this segment declined due to a decrease in the billing rates and related gross profit margins within our industrial shop services operations due to competitive market conditions resulting from decreased demand for new heat exchangers as a result of volatility in crude oil prices that led to a curtailment in capital spending.

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Selling, general and administrative expenses

The following table presents selling, general and administrative expenses and SG&A margin (selling, general and administrative expenses as a percentage of revenues) for the years ended December 31, 2015 and 2014 (in thousands, except for percentages):

	2015	2014
Selling, general and administrative expenses	\$ 656,575	\$ 626,478
Selling, general and administrative expenses as a percentage of revenues	9.8%	9.5%

Our selling, general and administrative expenses for the year ended December 31, 2015 were \$656.6 million, a \$30.1 million increase compared to selling, general and administrative expenses of \$626.5 million for the year ended December 31, 2014. Selling, general and administrative expenses as a percentage of revenues were 9.8% for both 2015 and 2014. The increase in selling, general and administrative expenses was due to higher employee related costs such as incentive compensation, salaries and medical insurance costs, as well as certain other costs including computer hardware and software expenses, partially offset by a decrease in legal costs. Increased incentive compensation was principally due to higher annual operating results within certain operations than in 2014, which resulted in increased accruals for their incentive compensation plans. The increase in salaries was attributable to an increase in headcount, commensurate with an increase in revenues, as well as cost of living adjustments and merit pay increases.

Restructuring expenses

Restructuring expenses were \$0.8 million and \$1.2 million for 2015 and 2014, respectively. The 2015 restructuring expenses included \$0.9 million of employee severance obligations and the reversal of \$0.1 million relating to the termination of leased facilities. The 2014 restructuring expenses included \$0.6 million of employee severance obligations and \$0.6 million relating to the termination of leased facilities. As of December 31, 2015 and 2014, the balance of restructuring related obligations yet to be paid was \$0.1 million and \$0.3 million, respectively. The majority of obligations outstanding as of December 31, 2014 was paid during 2015. The obligations outstanding as of December 31, 2015 will be paid during the first half of 2016.

Gain on sale of building

On July 22, 2014, we sold a building and land owned by one of our subsidiaries reported in the United States mechanical construction and facilities services segment. We recognized a gain of approximately \$11.7 million on this transaction in the third quarter of 2014, which has been classified as a "Gain on sale of building" in the Consolidated Statements of Operations.

Impairment loss on goodwill and identifiable intangible assets

No impairment of our identifiable intangible assets was recognized for the year ended December 31, 2015. In conjunction with our 2014 annual impairment test on October 1, we recognized a \$1.5 million non-cash impairment charge related to subsidiary trade names within the United States mechanical construction and facilities services segment and the United States building services segment. The 2014 impairment primarily resulted from lower forecasted revenues from two companies within these segments. Additionally, no impairment of our goodwill was recognized for the years ended December 31, 2015 and 2014.

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Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating income (loss) as a percentage of each segment's revenues from unaffiliated entities for the years ended December 31, 2015 and 2014 (in thousands, except for percentages):

	2015	% of Segment Revenues	2014	% of Segment Revenues
Operating income (loss):				
United States electrical construction and facilities services	\$ 22,225	6.0%	\$ 90,873	8.0%
United States mechanical construction and facilities services	138,658	6.0%	114,418	5.2%
United States building services	70,512	4.1%	66,885	3.3%
United States industrial services	\$5,469	6.1%	63,159	7.5%
Total United States operations	347,864	5.5%	334,335	5.5%
United Kingdom building services	11,634	3.1%	15,011	4.3%
Corporate administration	(71,642)	—	(68,578)	—
Restructuring expenses	(824)	—	(1,168)	—
Impairment loss on identifiable intangible assets	—	—	(54,713)	—
Gain on sale of building	—	—	11,749	—
Total worldwide operations	287,032	4.3%	289,876	4.3%
Other corporate items:				
Interest expense	(8,522)	—	(9,075)	—
Interest income	673	—	842	—
Income from controlling operations, net of income taxes	\$ 279,183	—	\$ 281,645	—

As described in more detail below, we had operating income of \$287.1 million for 2015 compared to operating income of \$289.9 million for 2014. Operating margin was 4.3% and 4.5% for 2015 and 2014, respectively. Included within operating income for 2014 was an \$11.7 million gain on the sale of a building, resulting in a 0.2% impact on our consolidated operating margin for 2014.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2015 was \$22.2 million compared to operating income of \$90.9 million for the year ended December 31, 2014. The decrease in operating income for the year ended December 31, 2015 was due to a decrease in gross profit from transportation, institutional and manufacturing construction projects and an increase in selling, general and administrative expenses due to higher employee related costs such as incentive compensation and salaries. The decrease in gross profit from transportation construction projects included approximately \$10.1 million of losses incurred on several projects due to productivity issues and delays. The increase in incentive compensation was principally due to higher annual operating results within certain operations than in 2014, which resulted in increased accruals for certain of our incentive compensation plans. The decrease in operating income was partially offset by an increase in gross profit from: (a) commercial construction projects, partially due to profits recognized on contracts in the Mid-Atlantic region and (b) healthcare construction projects. The decrease in operating margin for the year ended December 31, 2015 was attributable to a decrease in gross profit margin, partially as a result of losses recorded on transportation projects, as well as an increase in the ratio of selling, general and administrative expenses to revenues resulting from an increase in incentive compensation due to higher annual operating results within certain operations than in 2014.

Our United States mechanical construction and facilities services segment operating income for the year ended December 31, 2015 was \$138.7 million, a \$24.3 million increase compared to operating income of \$114.4 million for the year ended December 31, 2014. Operating income was favorably impacted by an increase in gross profit from institutional, commercial and manufacturing construction projects, partially offset by an increase in selling, general and administrative expenses. The results for 2015 included revenues of \$12.1 million recognized as a result of the settlement of a claim on an institutional project located in the southeastern United States. The results for 2014 included the receipt of \$3.0 million from former shareholders of a company we had acquired as a result of the settlement of a claim by us under the acquisition agreement; this payment has been recorded as a reduction of "Cost of sales" in the Consolidated Statements of Operations. The increase in selling, general and administrative expenses was primarily the result of an increase in incentive compensation due to higher annual operating results than in 2014, which resulted in increased accruals for certain of our incentive compensation plans. Companies acquired in 2015 generated operating income of less than \$0.1 million, net of amortization expense of \$2.3 million attributable to identifiable intangible assets. The increase in operating margin for the year ended December 31, 2015 was attributable to an increase in gross profit margin.

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Operating income of our United States building services segment was \$70.5 million and \$65.9 million in 2015 and 2014, respectively. The increase in operating income was primarily attributable to improved performance from: (a) our mobile mechanical services operations, partially due to increased profitability in projects, retrofits, repair services work and service contracts, and (b) our commercial site-based services operations, partially due to a reduction in legal costs. These increases were partially offset by a decrease in operating income from (a) our energy services operations as, in 2014, we benefited from the successful completion of a large project, and (b) our government site-based services operations as a result of the completion in 2014 of two large long-term site-based joint venture projects not renewed pursuant to rebid. The results for the year ended December 31, 2015 included income of approximately \$2.7 million, net of associated legal costs, upon the favorable settlement of a claim by us against the former owner of a company we had previously acquired within our commercial site-based services operations. The increase in operating margin for the year ended December 31, 2015 was attributable to an increase in gross profit margin.

Operating income of our United States industrial services segment for the year ended December 31, 2015 decreased by \$5.7 million compared to operating income for the year ended December 31, 2014. The decrease in operating income was primarily attributable to: (a) a decrease in gross profit from our industrial shop services operations due to: (i) a decrease in the billing rates and related gross profit margins due to competitive market conditions resulting from decreased demand for new heat exchangers as a result of volatility in crude oil prices that led to a curtailment in capital spending and (ii) the mix of work, which included fewer repair projects than in 2014, that generate relatively high gross profit margins, (b) the negative impact of a nationwide strike by union employees of certain major oil refineries in the first half of 2015, which led to both defaults and losses of certain turnaround projects that generate relatively high gross profit margins, and (c) an increase in selling, general and administrative expenses due to higher employee related costs such as salaries and employee benefits, partially as a result of increased headcount. The decrease in operating income was partially offset by large capital and maintenance project activity within our industrial field services operations. The decrease in operating margin for the year ended December 31, 2015 was attributable to a decrease in gross profit margin.

Our United Kingdom building services segment's operating income for the year ended December 31, 2015 was \$11.6 million compared to operating income of \$15.0 million for the year ended December 31, 2014. The decrease in operating income and operating margin was primarily attributable to the impact of \$4.8 million of income recognized in the second quarter of 2014 as a result of a reduction in the estimate of certain accrued contract costs that were no longer expected to be incurred. The overall decrease in gross profit in this segment was partially offset by an increase in gross profit from both new contract awards and increased project activity within the commercial market. This segment recorded a decrease in operating income of \$0.9 million relating to the effect of unfavorable exchange rates for the British pound versus the United States dollar.

Our corporate administration operating loss was \$71.6 million for 2015 compared to \$68.6 million in 2014. The increase in expenses for the year ended December 31, 2015 was primarily due to an increase in certain employment costs, such as incentive compensation and salaries, as well as certain other expenses including legal costs. The increase in incentive compensation was partially due to higher awards earned than in 2014, which resulted in increased accruals for certain of our incentive compensation plans.

Non-operating items

Interest expense was \$8.9 million and \$9.1 million for 2015 and 2014, respectively. The decrease in interest expense for 2015 compared to 2014 was primarily due to lower borrowings outstanding.

Interest income was \$0.7 million and \$0.5 million for 2015 and 2014, respectively. The decrease in interest income was primarily related to lower invested cash balances.

For joint ventures that have been accounted for using the consolidation method of accounting, noncontrolling interest represents the allocation of earnings to our joint venture partners who either have a minority-ownership interest in the joint venture or are not at risk for the majority of losses of the joint venture.

Our 2015 income tax provision from continuing operations was \$126.3 million compared to \$123.5 million for 2014. The actual income tax rates on income from continuing operations before income taxes, less amounts attributable to noncontrolling interests, for the years ended December 31, 2015 and 2014, were 38.1% and 37.4%, respectively. The increase in the 2015 income tax provision compared to 2014 was predominantly due to certain increases in the state tax provision attributable to the mix of earnings and the effect of a change in the United Kingdom statutory tax rate on deferred tax assets.

Discontinued operations

Due to a historical pattern of losses in the construction operations of our United Kingdom segment and our negative assessment of construction market conditions in the United Kingdom for the foreseeable future, we announced during the quarter ended June 30, 2013 our decision to withdraw from the construction market in the United Kingdom. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented in our Consolidated Financial Statements as discontinued operations.

*2014 versus 2013***Overview**

The following table presents selected financial data for the fiscal years ended December 31, 2014 and 2013 (in thousands, except percentages and per share data):

	2014	2013
Revenues	\$ 6,324,068	\$ 6,233,327
Revenues increase from prior year	1.4%	2.2%
Res including expenses	\$ 1,169	\$ 607
Impairment loss on identifiable intangible assets	\$ 1,471	\$ —
Gain on sale of building	\$ 11,749	\$ —
Operating income	\$ 289,576	\$ 240,350
Operating income as a percentage of revenues	4.6%	3.9%
Income from continuing operations	\$ 178,117	\$ 150,423
Net income attributable to BMCOR Group, Inc.	\$ 168,762	\$ 133,792
Diluted earnings per common share from continuing operations	\$ 2.59	\$ 2.16

Overall revenues, operating income and operating margin (operating income as a percentage of revenues) increased in 2014 compared to 2013. The increase in revenues is primarily attributable to higher revenues from our United States industrial services segment and our United Kingdom building services segment, partially offset by a decline in revenues from our (a) United States mechanical construction and facilities services segment, (b) United States building services segment and (c) United States electrical construction and facilities services segment. Companies acquired in 2013, which are reported in our United States industrial segment and our United States mechanical construction and facilities services segment, generated incremental revenues of \$231.2 million in 2014. This amount reflects acquired companies' revenues in 2014 only for the time period these entities were not owned by BMCOR in the comparable 2013 period.

The increases in operating income were primarily attributable to improved operating performance within all of our reportable segments, except for our United States electrical construction and facilities services segment and our United States building services segment. Operating income margins increased within all of our reportable segments, except for our United States electrical construction and facilities services segment and our United States industrial services segment. In addition, our operating income and operating margin were favorably impacted by an \$11.7 million gain on the sale of a building. Companies acquired in 2013, which are reported in our United States industrial segment and our United States mechanical construction and facilities services segment, contributed \$9.3 million to operating income, net of \$8.2 million of amortization expense associated with identifiable intangible assets. These amounts reflect acquired companies' operating results in 2014 only for the time period these entities were not owned by BMCOR in the comparable 2013 period.

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Discussion and Analysis of Results of Operations

Revenues

As described in more detail below, revenues for 2014 were \$6.4 billion compared to \$6.3 billion for 2013. The increase in revenues for 2014 was primarily attributable to revenues of \$231.2 million attributable to companies acquired in 2013 (which reflects acquired companies' revenues in 2014 only for the time period those entities were not owned by EMCOR in the comparable 2013 period) and higher revenues from our United States industrial services segment and our United Kingdom building services segment. This increase was partially offset by lower revenues from our other reportable segments.

The following table presents our revenues for each of our operating segments and the approximate percentages that each segment's revenues were of total revenues for the years ended December 31, 2014 and 2013 (in thousands, except for percentages):

	2014	% of Total	2013	% of Total
Revenues from unrelated entities:				
United States electrical construction and facilities services	\$ 1,311,364	20%	\$ 1,345,750	21%
United States mechanical construction and facilities services	2,201,212	34%	2,329,834	37%
United States building services	1,721,341	27%	1,795,978	28%
United States industrial services	839,980	13%	519,413	8%
Special United States operations	607,420	9%	2,880,975	45%
United Kingdom building services	350,444	5%	343,552	5%
Total worldwide operations	<u>\$ 6,484,061</u>	<u>100%</u>	<u>\$ 6,395,322</u>	<u>100%</u>

Revenues of our United States electrical construction and facilities services segment were \$1,312.0 million for the year ended December 31, 2014 compared to revenues of \$1,345.8 million for the year ended December 31, 2013. The decrease in revenues was primarily attributable to a decrease in revenues from institutional and manufacturing construction projects, primarily in the southern California and Washington D.C. markets, as well as a decrease in revenues from water and wastewater construction projects. These decreases were partially offset by higher levels of work from transportation, commercial and healthcare projects.

Our United States mechanical construction and facilities services segment revenues for the year ended December 31, 2014 were \$2,201.2 million, a \$128.6 million decrease compared to revenues of \$2,329.8 million for the year ended December 31, 2013. This decrease in revenues was primarily attributable to a decline in revenues from manufacturing construction projects, partially as the result of the completion in 2013 of several large projects within this market sector, which were not replaced. This decrease was partially offset by: (a) an increase in revenues from commercial, hospitality and institutional construction projects and (b) incremental revenues of \$19.2 million generated by companies acquired in 2013. This amount reflects acquired companies' revenues in 2014 only for the time period those entities were not owned by EMCOR in the comparable 2013 period.

Revenues of our United States building services segment were \$1,721.3 million and \$1,795.9 million in 2014 and 2013, respectively. This decrease in revenues was primarily attributable to decreased revenues from: (a) our commercial site-based services operations, as a result of a decline in revenues from supplier management contracts, including a large contract that was terminated by agreement of both parties, (b) our energy services operations, due to a reduction in large project work, and (c) our government site-based services operations, as a result of the completion of a large long-term site-based joint venture project located in the Pacific Northwest not renewed pursuant to bid. These decreases were partially offset by an increase in revenues from our mobile mechanical service operations, primarily within the California and New England markets.

Revenues of our United States industrial services segment for the year ended December 31, 2014 increased by \$326.6 million compared to the year ended December 31, 2013, for the seven months ended July 31, 2014, RSI generated incremental revenues of \$212.0 million. This amount reflects RSI's revenues in 2014 only for the time period RSI was not owned by EMCOR in the comparable 2013 period. The increase in revenues was also attributable to an increased demand for our industrial field services operations, partially offset by a decrease in revenues from our industrial shop services operations.

Our United Kingdom building services segment revenues were \$350.4 million in 2014 compared to \$343.6 million in 2013. This increase in revenues was due to an increase of \$16.9 million relating to the effect of favorable exchange rates for the British pound versus the United States dollar and increased activity within the commercial and healthcare markets, partially offset by decreased activity within the transportation and institutional markets.

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Backlog

The following table presents our operating segment backlog from related entities and their respective percentages of total backlog (in thousands, except for percentages):

	December 31, 2014	% of Total	December 31, 2013	% of Total
Backlog:				
United States electrical construction and facilities services	\$ 1,175,372	33%	\$ 993,059	30%
United States mechanical construction and facilities services	1,473,018	41%	1,325,941	40%
United States building services	329,860	20%	261,354	25%
United States industrial services	131,154	3%	94,187	3%
Total United States operations	3,109,504	86%	2,674,541	95%
United Kingdom building services	50,084	4%	167,804	5%
Intel worldwide operations	\$ 1,853,688	100%	\$ 2,543,706	100%

Our backlog at December 31, 2014 was \$3.63 billion compared to \$3.54 billion at December 31, 2013. This increase in backlog was primarily attributable to an increase in contracts awarded for work in our: (a) United States electrical construction and facilities services segment and (b) United States mechanical construction and facilities services segment. Backlog increases with awards of new contracts and decreases as we perform work on existing contracts.

Cost of sales and Gross profit

The following table presents cost of sales, gross profit (revenues less cost of sales), and gross profit margin (gross profit as a percentage of revenues) for the years ended December 31, 2014 and 2013 (in thousands, except for percentages):

	2014	2013
Cost of sales	\$ 2,312,519	\$ 2,113,884
Gross profit	\$ 907,246	\$ 821,626
Gross profit margin	14.1%	13.0%

Our gross profit for the year ended December 31, 2014 was \$907.2 million, an \$85.6 million increase compared to the gross profit of \$821.6 million for the year ended December 31, 2013. The increase in gross profit was primarily attributable to improved profitability within all of our reportable segments, except for our United States electrical construction and facilities services segment. Gross profit in 2013 within our United States mechanical construction and facilities services segment was negatively impacted by aggregate losses of approximately \$24.5 million from one of our subsidiaries at two projects located in the southeastern United States. Companies acquired in 2013 included in our United States industrial services segment and our United States mechanical construction and facilities services segment contributed an aggregate of \$35.9 million to gross profit in 2014. This amount reflects acquired companies' gross profit in 2014 only for the time period those entities were not owned by LMCOR in the comparable 2013 period.

Our gross profit margin was 14.1% and 13.0% for 2014 and 2013, respectively. Gross profit margin for 2014 increased within most of our reportable segments. Our consolidated gross profit margin benefited from an increase in revenues from our United States industrial services segment, which historically generates higher gross profit margins than our other reportable segments. Gross profit margin for 2013 was adversely impacted by the two significant project write-downs reported in our United States mechanical construction and facilities services segment, resulting in a 0.4% impact on consolidated gross profit margin.

Selling, general and administrative expenses

The following table presents selling, general and administrative expenses, and selling, general and administrative expenses as a percentage of revenues, for the years ended December 31, 2014 and 2013 (in thousands, except for percentages):

	2014	2013
Selling, general and administrative expenses	\$ 626,478	\$ 580,149
Selling, general and administrative expenses as a percentage of revenues	9.8%	9.2%

Our selling, general and administrative expenses for the year ended December 31, 2014 were \$626.5 million, a \$45.8 million increase compared to selling, general and administrative expenses of \$580.6 million for the year ended December 31, 2013. Selling, general and administrative expenses as a percentage of revenues were 9.8% and 9.2% for the years ended December 31, 2014 and 2013, respectively. This increase in selling, general and administrative expenses primarily resulted from: (a) \$26.6 million of

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expenses directly related to companies acquired in 2013, including amortization expense of \$8.2 million attributable to identifiable intangible assets (which reflect acquired companies' expenses in 2014 only for the time period those entities were not owned by LMCOR in the comparable 2013 period), (h) higher employee related costs such as incentive compensation and employee benefits and (i) higher legal costs, including the unfavorable settlement of a legal matter. In addition, our selling, general and administrative expenses as a percentage of revenues increased due to higher revenues from our United States industrial services segment, which has a higher fixed cost structure than our other reportable segments. Selling, general and administrative expenses for the year ended December 31, 2013 included \$6.1 million of transaction costs associated with the acquisition of RSI. Selling, general and administrative expenses for the year ended December 31, 2013 were reduced by \$6.8 million of income attributable to the reversal of contingent consideration accruals relating to acquisitions made prior to 2013.

Restructuring expenses

Restructuring expenses were \$1.2 million and \$0.6 million for 2014 and 2013, respectively. The 2014 restructuring expenses included \$0.6 million of employee severance obligations and \$0.6 million relating to the termination of leased facilities. The 2013 restructuring expenses included \$0.5 million of employee severance obligations and \$0.1 million relating to the termination of leased facilities. As of December 31, 2014 and 2013, the balance of restructuring related obligations yet to be paid was \$0.3 million and \$0.2 million, respectively. The majority of obligations outstanding as of December 31, 2014 and December 31, 2013 were paid during 2015 and 2014, respectively.

Gain on sale of building

On July 22, 2014, we sold a building and land owned by one of our subsidiaries reported in the United States mechanical construction and facilities services segment. We recognized a gain of approximately \$1.7 million on this transaction in the third quarter of 2014, which has been classified as a "Gain on sale of building" in the Consolidated Statements of Operations.

Impairment loss on goodwill and identifiable intangible assets

In conjunction with our 2014 annual impairment test on October 1, we recognized a \$1.5 million non-cash impairment charge related to subsidiary trade names within the United States mechanical construction and facilities services segment and the United States building services segment. The 2014 impairment primarily resulted from lower forecasted revenues from two companies within those segments. No impairment of our identifiable intangible assets was recognized for the year ended December 31, 2013. Additionally, no impairment of our goodwill was recognized for the years ended December 31, 2014 and 2013.

Operating income (loss)

The following table presents by segment our operating income (loss) and each segment's operating income (loss) as a percentage of such segment's revenues from unrelated entities for the years ended December 31, 2014 and 2013 (in thousands, except for percentages):

	2014	% of Segment Revenues	2013	% of Segment Revenues
Operating income (loss):				
United States electrical, construction and facilities services	\$ 107,591	6.9%	\$ 98,101	7.3%
United States mechanical construction and facilities services	114,418	5.2%	93,765	4.0%
United States building services	65,888	3.8%	67,228	3.7%
United States industrial services	63,159	7.5%	38,763	7.5%
Total United States operations	351,056	5.5%	297,857	5.0%
United Kingdom building services	15,011	4.3%	13,021	3.8%
Corporate administration	(68,573)	—	(69,387)	—
Restructuring expenses	(1,168)	—	(647)	—
Impairment loss on identifiable intangible assets	(1,411)	—	—	—
Gain on sale of building	11,749	—	—	—
Total worldwide operations	289,876	4.5%	240,350	3.8%
Other corporate items:				
Interest expense	(9,075)	—	(8,769)	—
Interest income	842	—	1,328	—
Income from continuing operations before income taxes	\$ 281,645	—	\$ 232,709	—

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As described in more detail below, we had operating income of \$289.9 million for 2014 compared to operating income of \$240.4 million for 2013. Operating margin was 4.5% and 5.8% for 2014 and 2013, respectively. Included within operating income for 2014 was an \$11.7 million gain on the sale of a building, resulting in a 0.2% impact on our consolidated operating margin for 2014. Operating income for 2013 was negatively impacted by aggregate losses of approximately \$24.5 million from one of our subsidiaries at two projects located in the southeastern United States, resulting in a 0.4% impact on our consolidated operating margin for 2013.

Operating income of our United States electrical construction and facilities services segment for the year ended December 31, 2014 was \$90.9 million compared to operating income of \$98.1 million for the year ended December 31, 2013. The decrease in operating income for the year ended December 31, 2014 was primarily the result of a decrease in gross profit attributable to institutional, transportation, manufacturing and water and wastewater construction projects, as well as an increase in selling, general and administrative expenses, mainly attributable to employment costs. This segment was also negatively impacted by project losses incurred from one of our subsidiaries whose operations we are in the process of closing. The decrease in operating margin for the year ended December 31, 2014 was primarily the result of an increase in the ratio of selling, general and administrative expenses to revenues.

Our United States mechanical construction and facilities services segment operating income for the year ended December 31, 2014 was \$114.4 million, a \$20.7 million increase compared to operating income of \$93.8 million for the year ended December 31, 2013. Operating income was favorably impacted by an increase in gross profit from institutional, commercial, healthcare and hospitality construction projects, partially offset by a decrease in gross profit from manufacturing and transportation construction projects. The results for 2014 included the receipt of \$5.0 million from former shareholders of a company we had acquired as a result of the settlement of a claim by us under the acquisition agreement; this payment has been recorded as a reduction of "Cost of sales" in the Consolidated Statements of Operations. The results for 2013 included aggregate losses of approximately \$24.5 million from one of our subsidiaries at two projects located in the southeastern United States, resulting in a 1.1% impact on this segment's operating margin, partially offset by \$6.7 million of income attributable to the reversal of contingent consideration accruals related to acquisitions made prior to 2013. Companies acquired in 2013 generated operating income of \$0.9 million, net of amortization expense of \$0.2 million attributable to identifiable intangible assets, for the year ended December 31, 2014. These amounts reflect acquired companies' operating results in 2014 only for the time period these entities were not owned by BMCOR in the comparable 2013 period. The increase in operating margin for the year ended December 31, 2014 was attributable to an increase in gross profit margin.

Operating income of our United States building services segment was \$65.9 million and \$67.2 million in 2014 and 2013, respectively. The decrease in operating income was primarily attributable to a decrease in operating income from this segment's: (a) commercial site-based services operations, due to: (i) decreased volume from supplier management contracts and (ii) higher legal costs, including the unfavorable settlement of a legal matter; and (b) energy services operations, due to a reduction of large project work. These decreases were partially offset by an increase in gross profit from this segment's: (a) mobile mechanical services operations, partially due to increased profitability in projects, retrofits and repair services work and (b) government site-based services operations, partially due to the successful close-out of two large long-term joint venture projects and reduced selling, general and administrative expenses. The increase in operating margin for the year ended December 31, 2014 was attributable to an increase in gross profit margin.

Operating income of our United States industrial services segment for the year ended December 31, 2014 increased by \$24.4 million compared to operating income for the year ended December 31, 2013. For the seven months ended July 31, 2014, RSI contributed \$2.4 million of operating income, net of \$8.0 million of amortization expense attributable to identifiable intangible assets. These amounts reflect RSI's operating results in 2014 only for the time period RSI was not owned by BMCOR in the comparable 2013 period. Operating income also benefited from an increase in demand for this segment's industrial field services. The increase in operating income was partially offset by a reduction in operating income from our industrial shop services operations, which had benefited from exceptionally strong demand during the first quarter of 2013.

Our United Kingdom building services segment's operating income for the year ended December 31, 2014 was \$15.0 million compared to operating income of \$3.3 million for the year ended December 31, 2013. This segment recognized income of \$4.8 million during the second quarter of 2014, which has been recorded as a reduction of "Cost of sales" in the Consolidated Statements of Operations, as a result of a reduction in the estimate of certain awarded contract costs that were no longer expected to be incurred, which was partially offset by a decrease in income from the commercial and transportation markets. The increase in operating margin for the year ended December 31, 2014 was attributable to an increase in gross profit margin and a decrease in the ratio of selling, general and administrative expenses to revenues.

Our corporate administration operating loss was \$68.6 million for 2014 compared to \$69.9 million in 2013. Our corporate administration operating loss for 2013 included \$6.1 million of transaction costs associated with the acquisition of RSI. The benefit of the absence of these transaction costs for 2014 was partially offset by an increase in certain employment costs, such as incentive

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compensation and employee benefits. Also, our corporate administration operating loss for 2013 was reduced by the receipt of an insurance recovery of approximately \$2.5 million that was received in January 2013 associated with a previously disposed of operation, which is classified as a component of "Cost of sales" in the Consolidated Statements of Operations.

Non-operating items

Interest expense was \$9.1 million and \$8.8 million for 2014 and 2013, respectively. The \$0.3 million increase in interest expense for 2014 compared to 2013 was primarily due to increased borrowings associated with the term loan executed in November 2012.

Interest income was \$0.3 million and \$1.1 million for 2014 and 2013, respectively. The decrease in interest income was primarily related to lower invested cash balances.

For joint ventures that have been accounted for using the consolidation method of accounting, noncontrolling interest represents the allocation of earnings to our joint venture partners who either have a minority-ownership interest in the joint venture or are not at risk for the majority of losses of the joint venture.

Our 2014 income tax provision from continuing operations was \$103.5 million compared to \$52.3 million for 2013. The actual income tax rates on income from continuing operations before income taxes, less amounts attributable to noncontrolling interests, for the years ended December 31, 2014 and 2013, were 37.4% and 35.9%, respectively. The increase in the 2014 income tax provision compared to 2013 was primarily due to the effect of increased income before income taxes and the 2013 reversal of previously unrecognized income tax benefits.

Discontinued operations

Due to a historical pattern of losses in the construction operations of our United Kingdom segment and our negative assessment of construction market conditions in the United Kingdom for the foreseeable future, we announced during the quarter ended June 30, 2013 our decision to withdraw from the construction market in the United Kingdom. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented in our Consolidated Financial Statements as discontinued operations.

Liquidity and Capital Resources

The following table presents net cash provided by (used in) operating activities, investing activities and financing activities for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	2015	2014	2013
Net cash provided by operating activities	\$ 266,676	\$ 246,667	\$ 150,069
Net cash used in investing activities	\$ (59,898)	\$ (21,668)	\$ (483,422)
Net cash provided by financing activities	\$ (149,473)	\$ (229,950)	\$ (87,691)
Effect of exchange rate changes on cash and cash equivalents	\$ (2,510)	\$ (2,796)	\$ 832

Our consolidated cash balance increased by approximately \$54.8 million from \$432.1 million at December 31, 2014 to \$486.9 million at December 31, 2015. Net cash provided by operating activities for 2015 was \$266.7 million compared to \$246.7 million of net cash provided by operating activities for 2014. The increase in cash provided by operating activities was primarily due to: (a) a \$70.7 million increase in net over-billings related to the timing of customer billings and payments, (b) a \$50.6 million increase in accounts payable and (c) a \$40.5 million increase in other working capital changes, partially offset by a \$142.7 million increase in accounts receivable. Net cash used in investing activities was \$59.8 million for 2015 compared to net cash used in investing activities of \$21.7 million for 2014. The increase in cash used in investing activities was primarily due to payments to acquire businesses in 2015. Net cash used in financing activities for 2015 decreased by approximately \$30.5 million compared to 2014. This decrease in net cash used in financing activities was primarily due to a decrease in funds used for the repurchase of common stock. Cash flows from discontinued operations were immaterial and are not expected to significantly affect future liquidity.

Our consolidated cash balance decreased by approximately \$7.8 million from \$439.8 million at December 31, 2013 to \$432.1 million at December 31, 2014. Net cash provided by operating activities for 2014 was \$246.7 million compared to \$150.1 million of net cash provided by operating activities for 2013. The increase in cash provided by operating activities was primarily due to: (a) a \$46.1 million increase in net income, (b) a \$59.6 million decrease in accounts receivable and (c) a \$16.0 million reduction in income taxes paid, partially offset by a \$12.2 million decrease in accounts payable. Net cash used in investing activities was \$21.7 million for 2014 compared to net cash used in investing activities of \$483.4 million for 2013. The decrease in cash used in investing activities was primarily due to the lack of acquisitions in 2014. Net cash used in financing activities for 2014 increased by approximately \$397.0 million compared to 2013. The increase in net cash used in financing activities was primarily due to an

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increase in funds used for the repurchase of common stock of \$175.9 million, the repayment of long-term debt, and the payment of regular quarterly dividends to stockholders, partially offset by an increase in proceeds from the exercise of stock options.

The following is a summary of material contractual obligations and other commercial commitments (in millions):

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Contractual Obligations					
Term loan (floating interest, maturity at 7.87%) (1)	\$ 329.4	\$ 22.7	\$ 306.7	\$ —	\$ —
Capital lease obligations	4.1	1.5	1.5	1.1	—
Operating leases	239.6	56.0	140	50.1	46.9
Open purchase obligations (2)	1,021.2	802.4	199.7	19.1	—
Other long-term obligations, including current portion (3)	965.6	41.5	310.8	41.3	—
Liabilities related to uncertain income tax positions	5.2	4.5	—	—	0.7
Total Contractual Obligations	\$ 3,601.1	\$ 928.6	\$ 968.0	\$ 211.6	\$ 47.7

	Amount of Commitment Expirations by Period				
	Total Amount Committed	Less than 1 year	1-3 years	3-5 years	After 5 years
Other Commercial Commitments					
Letters of credit	\$ 29.2	\$ 29.2	\$ —	\$ —	\$ —

- On November 25, 2013, we entered into a \$750.0 million revolving credit facility (the "2013 Revolving Credit Facility") and a \$250.0 million term loan (the "Term Loan"), (collectively referred to as the "2013 Credit Agreement"). The proceeds of the Term Loan were used to repay amounts drawn under our previous credit agreement. As of December 31, 2015, the amount outstanding under the Term Loan was \$315.0 million.
- Represents open purchase orders for material and subcontracting costs related to construction and service contracts. These purchase orders are not reflected in our consolidated balance sheets and should not impact future cash flows, as amounts should be recovered through customer billings.
- Represents primarily insurance related liabilities and liabilities for deferred income taxes, incentive compensation and deferred compensation, classified as other long-term liabilities in the consolidated balance sheets. Cash payments for insurance and deferred compensation related liabilities may be payable beyond three years, but it is not practical to estimate these payments; therefore, these liabilities are reflected in the 1-3 years payment period. We provide funding to our post retirement plans based on at least the minimum funding required by applicable regulations. In determining the minimum required funding, we utilize current actuarial assumptions and exchange rates to forecast estimates of amounts that may be payable for up to five years in the future. In our judgment, actuarial funding estimates beyond a five year time horizon cannot be reliably estimated, and therefore, have not been included in the table.

Until November 25, 2013, we had a revolving credit agreement (the "2011 Credit Agreement") as amended, which provided for a revolving credit facility of \$750.0 million. The 2011 Credit Agreement was effective November 21, 2011. Effective November 25, 2013, we amended and restated the 2011 Credit Agreement to provide for a \$750.0 million revolving credit facility (the "2013 Revolving Credit Facility") and a \$250.0 million term loan (the "Term Loan") (collectively referred to as the "2013 Credit Agreement") expiring November 25, 2018. The proceeds of the Term Loan were used to repay amounts drawn under the 2011 Credit Agreement. We may increase the 2013 Revolving Credit Facility to \$1.05 billion if additional lenders are identified and/or existing lenders are willing to increase their current commitments. We may allocate up to \$250.0 million of available capacity under the 2013 Revolving Credit Facility to letters of credit for our account or for the account of our subsidiaries. The 2013 Revolving Credit Agreement is guaranteed by most of our direct and indirect subsidiaries and is secured by substantially all of our assets and most of the assets of most of our subsidiaries. The 2013 Revolving Credit Facility and the Term Loan contain various covenants providing for, among other things, maintenance of certain financial ratios and certain limitations on payment of dividends, common stock repurchases, investments, acquisitions, indebtedness and capital expenditures. We were in compliance with all such covenants as of December 31, 2015 and December 31, 2014. A commitment fee is payable on the average daily unused amount under the 2013 Revolving Credit Facility, which ranges from 0.20% to 0.30%, based on certain financial tests. The fee was 0.20% of the unused amount as of December 31, 2015. Drawn fees under the 2013 Revolving Credit Facility and the

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Term Loan bear interest at (1) a rate which is the prime commercial lending rate announced by Bank of Montreal from time to time (3.50% at December 31, 2015) plus 0.25% to 0.75%, based on certain financial tests or (2) United States Dollar LIBOR (0.42% at December 31, 2015) plus 1.25% to 1.75%, based on certain financial tests. The interest rate in effect at December 31, 2015 was 1.67%. Fees for letters of credit issued under the 2013 Revolving Credit Facility range from 1.25% to 1.75% of the respective face amounts of outstanding letters of credit and are charged based on certain financial tests. We capitalized approximately \$3.0 million of debt issuance costs associated with the 2013 Credit Agreement. This amount is being amortized over the life of the agreement and is included as part of interest expense. We are required to make principal payments on the Term Loan in installments on the last day of March, June, September and December of each year, commencing with the calendar quarter ended March 31, 2014, in the amount of \$4.4 million, with a final payment of all unpaid principal and interest due and payable on November 25, 2018. As of December 31, 2015 and December 31, 2014, the balance on the Term Loan was \$315.6 million and \$332.5 million, respectively. As of December 31, 2015 and December 31, 2014, we had approximately \$99.0 million and \$95.5 million of letters of credit outstanding, respectively. There were no borrowings outstanding under the 2013 Revolving Credit Facility as of December 31, 2015 and December 31, 2014.

The terms of our construction contracts frequently require that we obtain from surety companies ("Surety Companies") and provide to our customers payment and performance bonds ("Surety Bonds") as a condition to the award of such contracts. The Surety Bonds secure our payment and performance obligations under such contracts, and we have agreed to indemnify the Surety Companies for amounts, if any, paid by them in respect of Surety Bonds issued on our behalf. In addition, at the request of labor unions representing certain of our employees, Surety Bonds are sometimes provided to secure obligations for wages and benefits payable to or for such employees. Public sector contracts require Surety Bonds more frequently than private sector contracts, and accordingly, our bonding requirements typically increase as the amount of public sector work increases. As of December 31, 2015, based on our percentage-of-completion of our projects covered by Surety Bonds, our aggregate estimated exposure, assuming defaults on all our then existing contractual obligations, was approximately \$1.2 billion, which represents approximately 32% of our total backing. The Surety Bonds are issued by Surety Companies in return for premiums, which vary depending on the size and type of bond.

From time to time, we discuss with our current and other Surety Bond providers the amounts of Surety Bonds that may be available to us based on our financial strength and the absence of any default by us on any Surety Bond issued on our behalf and believe those amounts are currently adequate for our needs. However, if we experience changes in our bonding relationships or if there are adverse changes in the surety industry, we may seek to satisfy certain customer requests for Surety Bonds by posting other forms of collateral in lieu of Surety Bonds such as letters of credit, parent company guarantees or cash, seeking to convince customers to forego the requirement for Surety Bonds, by increasing our activities in our business segments that rarely require Surety Bonds such as our building and industrial services segments, and/or by refraining from bidding for certain projects that require Surety Bonds. There can be no assurance that we would be able to effectuate alternatives to providing Surety Bonds to our customers or to obtain, on favorable terms, sufficient additional work that does not require Surety Bonds. Accordingly, if we were to experience a reduction in the availability of Surety Bonds, we could experience a material adverse effect on our financial position, results of operations and/or cash flows.

In the ordinary course of business, we, at times, guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

We do not have any other material financial guarantees or off-balance sheet arrangements other than those disclosed herein.

We are a party to lawsuits and other proceedings in which other parties seek to recover from us amounts ranging from a few thousand dollars to over \$10.0 million. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations or liquidity.

On September 26, 2011, our Board of Directors authorized us to repurchase up to \$100.0 million of our outstanding common stock. On December 5, 2011, October 23, 2014 and October 28, 2015, our Board of Directors authorized us to repurchase up to an additional \$100.0 million, \$250.0 million and \$200.0 million of our outstanding common stock, respectively. During 2015, we repurchased approximately 2.3 million shares of our common stock for approximately \$112.5 million. Since the inception of these repurchase programs through December 31, 2015, we have repurchased 9.9 million shares of our common stock for approximately \$595.9 million. As of December 31, 2015, there remained authorization for us to repurchase approximately \$254.1 million of our shares. The repurchase programs do not obligate the Company to acquire any particular amount of common stock and may be suspended, recommenced or discontinued at any time or from time to time without prior notice. Repurchases may be made from time to time to the extent permitted by securities laws and other legal requirements, including provisions in our credit agreement placing limitations on such repurchases. The repurchase programs have been and will be funded from our operations.

We have paid quarterly dividends since October 25, 2011. We expect that quarterly dividends will be paid in the foreseeable future. Prior to October 25, 2011, no cash dividends had been paid on the Company's common stock. We currently pay a regular

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quarterly dividend of \$0.08 per share. Our 2013 Credit Agreement places limitations on the payment of dividends on our common stock. However, we do not believe that the terms of such agreement currently materially limit our ability to pay a quarterly dividend of \$0.08 per share for the foreseeable future. The payment of dividends has been and will be funded from our operations.

Our primary source of liquidity has been, and is expected to continue to be, cash generated by operating activities. We also maintain our 2013 Revolving Credit Facility that may be utilized, among other things, to meet short-term liquidity needs in the event cash generated by operating activities is insufficient or to enable us to seize opportunities to participate in joint ventures or to make acquisitions that may require access to cash on short notice or for any other reason. Negative macroeconomic trends may have an adverse effect on liquidity. During economic downturns, there have been typically fewer small discretionary projects from the private sector and our competitors have aggressively bid larger long-term infrastructure and public sector contracts. Short-term liquidity is also impacted by the type and length of construction contracts in place and large account activities in our United States industrial services segment that are billed in arrears pursuant to contractual terms that are standard within this industry. Performance of long duration contracts typically requires greater amounts of working capital. While we strive to maintain a net over-billed position with our customers, there can be no assurance that a net over-billed position can be maintained. Our net over-billings, defined as the balance sheet accounts "Billings in excess of costs and estimated earnings on uncompleted contracts" less "Costs and estimated earnings in excess of billings on uncompleted contracts", were \$311.5 million and \$265.4 million as of December 31, 2015 and 2014, respectively.

Long-term liquidity requirements can be expected to be met initially through cash generated from operating activities and our 2013 Revolving Credit Facility. Based upon our current credit ratings and financial position, we can reasonably expect to be able to incur long-term debt to fund acquisitions. Over the long term, our primary revenue risk factor continues to be the level of demand for non-residential construction services and for building and industrial services, which is influenced by macroeconomic trends including interest rates and governmental economic policy. In addition, our ability to perform work is critical to meeting long-term liquidity requirements.

We believe that our current cash balances and our borrowing capacity available under our 2013 Revolving Credit Facility or other forms of financing available to us through borrowings, combined with cash expected to be generated from operations, will be sufficient to provide our short-term and foreseeable long-term liquidity and meet our expected capital expenditure requirements.

Certain Insurance Matters

As of December 31, 2015 and 2014, we utilized approximately \$97.3 million and \$94.6 million, respectively, of letters of credit obtained under our 2013 Revolving Credit Facility as collateral for insurance obligations.

New Accounting Pronouncements

We review new accounting standards to determine the expected impact, if any, that the adoption of such standards will have on our financial position and/or results of operations. See Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data for further information regarding new accounting standards, including the anticipated dates of adoption and the effects on our consolidated financial position, results of operations or liquidity.

Application of Critical Accounting Policies

Our consolidated financial statements are based on the application of significant accounting policies, which require management to make significant estimates and assumptions. Our significant accounting policies are described in Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data of this Form 10-K. We believe that some of the more critical judgment areas in the application of accounting policies that affect our financial condition and results of operations are the impact of changes in the estimates and judgments pertaining to: (a) revenue recognition from (i) long-term construction contracts for which the percentage-of-completion method of accounting is used and (ii) services contracts; (b) collectibility or valuation of accounts receivable; (c) insurance liabilities; (d) income taxes; and (e) goodwill and identifiable intangible assets.

Revenue Recognition from Long-term Construction Contracts and Services Contracts

We believe our most critical accounting policy is revenue recognition from long-term construction contracts for which we use the percentage-of-completion method of accounting. Percentage-of-completion accounting is the prescribed method of accounting for long-term contracts in accordance with Accounting Standards Codification ("ASC") Topic 605-35, "Revenue Recognition-Construction-Type and Production-Type Contracts", and, accordingly, is the method used for revenue recognition within our industry. Percentage-of-completion is measured principally by the percentage of costs incurred to date for each contract to the estimated total costs for such contract at completion. Certain of our electrical contracting business units measure percentage-of-completion by the percentage of labor costs incurred to date for each contract to the estimated total labor costs for such contract.

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Pre-contract costs from our construction projects are generally expensed as incurred. Application of percentage-of-completion accounting results in the recognition of costs and estimated earnings in excess of billings on uncompleted contracts in our Consolidated Balance Sheets. Costs and estimated earnings in excess of billings on uncompleted contracts reflected in the Consolidated Balance Sheets arise when revenues have been recognized but the amounts cannot be billed under the terms of contracts. Such amounts are recoverable from customers based upon various measures of performance, including achievement of certain milestones, completion of specified units or completion of a contract.

Costs and estimated earnings in excess of billings on uncompleted contracts also include amounts we seek or will seek to collect from customers or others for errors or changes in contract specifications or design, contract change orders in dispute or unapproved as to both scope and price or other customer-related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value and take into account factors that may affect our ability to bill and ultimately collect unbilled revenues. The profit associated with claim amounts is not recognized until the claim has been settled and payment has been received. During 2015, we recognized revenues of \$12.1 million as a result of the settlement of a claim within our United States mechanical construction and facilities services segment, which represents the recovery of cost on a project in which we incurred significant losses in a prior year. There were no significant settlements or payment of claims in 2014. As of December 31, 2015 and 2014, costs and estimated earnings in excess of billings on uncompleted contracts included unbilled revenues for unapproved change orders of approximately \$18.9 million and \$18.8 million, respectively, and claims of approximately \$0.9 million and \$3.0 million, respectively. In addition, accounts receivable as of December 31, 2015 and 2014 included claims of approximately \$0.3 million and \$2.5 million, respectively. These are contractually billed amounts and refer to contracts with unapproved change orders and claims of approximately \$52.0 million and \$54.0 million as of December 31, 2015 and 2014, respectively. For contracts in claim status, contractually billed amounts will generally not be paid by the customer to us until final resolution of related claims. Due to uncertainties inherent in estimates employed in applying percentage-of-completion accounting, estimates may be revised as project work progresses. Application of percentage-of-completion accounting requires that the impact of revised estimates be reported prospectively in the consolidated financial statements. In addition to revenue recognition for long-term construction contracts, we recognize revenues from the performance of services for maintenance, repair and retrofit work consistent with the performance of the services, which are generally on a pro-rata basis over the life of the contractual arrangement. Expenses related to all services arrangements are recognized as incurred. Revenues related to the engineering, manufacturing and repairing of steel and tube heat exchangers are recognized when the product is shipped and all other revenue recognition criteria have been met. Costs related to this work are included in inventory until the product is shipped. Provisions for the entirety of estimated losses on contracts are made in the period in which such losses are determined. There were no significant losses recognized in 2015 and 2014.

Accounts Receivable

We are required to estimate the collectibility of accounts receivable. A considerable amount of judgment is required in assessing the likelihood of realization of receivables. Relevant assessment factors include the creditworthiness of the customer, our prior collection history with the customer and related aging of past due balances. The provision for doubtful accounts ending 2015, 2014 and 2013 amounted to approximately \$2.9 million, \$2.9 million and \$3.5 million, respectively. At December 31, 2015 and 2014, our accounts receivable of \$1,359.9 million and \$1,234.2 million, respectively, included allowances for doubtful accounts of \$11.2 million and \$10.4 million, respectively. The increase in our allowances for doubtful accounts was primarily due to an increase in the provision for doubtful accounts, partially offset by the write-off of previously reserved accounts receivable. Specific accounts receivable are evaluated when we believe a customer may not be able to meet its financial obligations due to deterioration of its financial condition or its credit ratings. The allowance for doubtful accounts requirements are based on the best facts available and are re-evaluated and adjusted on a regular basis as additional information is received.

Insurance Liabilities

We have loss payment deductibles for certain workers' compensation, automobile liability, general liability and property claims, have self-insured retentions for certain other casualty claims and are self-insured for employee-related health care claims. Losses are recorded based upon estimates of our liability for claims incurred and for claims incurred but not reported. The liabilities are derived from known facts, historical trends and industry averages utilizing the assistance of an actuary to determine the best estimate for the majority of these obligations. We believe the liabilities recognized on our balance sheets for these obligations are adequate. However, such obligations are difficult to assess and estimate due to numerous factors, including severity of injury, determination of liability in proportion to other parties, timely reporting of occurrences and effectiveness of safety and risk management programs. Therefore, if our actual experience differs from the assumptions and estimates used for recording the liabilities, adjustments may be required and will be recorded in the period that the experience becomes known. Our estimated insurance liabilities for workers' compensation, automobile liability, general liability and property claims increased by \$9.2 million for the year ended December 31, 2015 compared to the year ended December 31, 2014, primarily due to higher revenues and an increase in estimated losses as a result of unfavorable claims experience. If our estimated insurance liabilities for workers'

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compensation, automobile liability, general liability and property claims were to increase by 10%, it would have resulted in \$14.4 million of additional expense for the year ended December 31, 2015.

Income Taxes

We had net deferred income tax liabilities at December 31, 2015 and 2014 of \$120.6 million and \$127.8 million, respectively, primarily resulting from differences between the carrying value and income tax basis of certain identifiable intangible assets and depreciable fixed assets, which will impact our taxable income in future periods. Included within these net deferred income tax liabilities are \$121.4 million and \$114.2 million of deferred income tax assets as of December 31, 2015 and 2014, respectively. A valuation allowance is required when it is more likely than not that all or a portion of a deferred income tax asset will not be realized. As of December 31, 2015 and 2014, the total valuation allowance on deferred income tax assets, related to state net operating carryforwards, was approximately \$0.6 million and \$2.0 million, respectively. We have determined that as of December 31, 2015, a valuation allowance was not required on any of the remaining deferred tax assets because of significant deferred tax liabilities, exclusive of the deferred tax liabilities related to indefinite-lived intangible assets, and projected future taxable income.

Goodwill and Identifiable Intangible Assets

As of December 31, 2015, we had \$843.2 million and \$472.8 million, respectively, of goodwill and net identifiable intangible assets (primarily consisting of our contract backlog, developed technology/vendor network, customer relationships, non-competition agreements and trade names), primarily arising out of the acquisition of companies. As of December 31, 2014, goodwill and net identifiable intangible assets were \$834.1 million and \$502.1 million, respectively. The changes in goodwill since December 31, 2014 were related to the acquisition of three companies in 2015. The determination of related estimated useful lives for identifiable intangible assets and whether those assets are impaired involves significant judgments based upon short and long-term projections of future performance. These forecasts reflect assumptions regarding the ability to successfully integrate acquired companies, as well as macroeconomic conditions. ASC Topic 350, "Intangibles—Goodwill and Other" ("ASC 350") requires goodwill and other identifiable intangible assets with indefinite useful lives not be amortized, but instead tested at least annually for impairment (which we test each October), absent any impairment indicators, and be written down if impaired. ASC 350 requires that goodwill be allocated to its respective reporting unit and that identifiable intangible assets with finite lives be amortized over their useful lives.

We test for impairment of our goodwill at the reporting unit level. Our reporting units are consistent with the reportable segments identified in Note 17, "Segment Information", of the notes to consolidated financial statements included in Item 8, Financial Statements and Supplementary Data. In assessing whether our goodwill is impaired, we utilize the two-step process as prescribed by ASC 350. The first step of this test compares the fair value of the reporting unit, determined based upon discounted estimated future cash flows, to the carrying amount, including goodwill. If the fair value exceeds the carrying amount, no further analysis is required and no impairment loss is recognized. If the carrying amount of the reporting unit exceeds the fair value, the goodwill of the reporting unit is potentially impaired and step two of the goodwill impairment test would need to be performed to measure the amount of an impairment loss, if any. In the second step, the impairment is computed by comparing the implied fair value of the reporting unit's goodwill with the carrying amount of the goodwill. If the carrying amount of the reporting unit's goodwill is greater than the implied fair value of its goodwill, an impairment loss in the amount of the excess is recognized and charged to operations. The weighted average cost of capital used in our annual testing for impairment as of October 1, 2015 was 11.1%, 11.1% and 11.0% for our domestic construction segments, our United States building services segment and our United States industrial services segment, respectively. The perpetual growth rate used for our annual testing was 2.7% for all of our domestic segments. Unfavorable changes in these key assumptions may affect future testing results and cause us to fail step one of the goodwill impairment testing process. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair value of our United States industrial services segment to approach its carrying value. A 50 basis point increase in the weighted average cost of capital would not significantly reduce the excess of the estimated fair value compared to the carrying value for any of our other domestic segments. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would not significantly reduce the excess of the estimated fair value compared to the carrying value for any of our domestic segments. For the years ended December 31, 2015, 2014 and 2013, no impairment of our goodwill was recognized.

As of December 31, 2015, we had \$843.2 million of goodwill on our balance sheet and, of this amount, approximately 45.6% relates to our United States industrial services segment, approximately 27.3% relates to our United States building services segment, approximately 26.3% relates to our United States mechanical construction and facilities services segment and approximately 0.5% relates to our United States electrical construction and facilities services segment. As of the date of our latest impairment test, the carrying values of our United States industrial services, United States building services, United States mechanical construction and facilities services and United States electrical construction and facilities services segments were approximately \$725.5 million, \$445.1 million, \$249.5 million and \$62.9 million, respectively. The fair values of our United States industrial services, United States building services, United States mechanical construction and facilities services and United States electrical construction

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and facilities services segments exceeded their carrying values by approximately \$52.5 million, \$291.2 million, \$772.2 million and \$661.7 million, respectively.

We also test for the impairment of trade names that are not subject to amortization by calculating the fair value of such trade names using the " Relief from Royalty Payments " methodology. This approach involves two steps: (a) estimating reasonable royalty rates for each trade name and (b) applying these royalty rates to a net revenue stream and discounting the resulting cash flows to determine fair value. This fair value is then compared with the carrying value of each trade name. If the carrying amount of the trade name is greater than the implied fair value of the trade name, an impairment in the amount of the excess is recognized and charged to operations. For the years ended December 31, 2015 and 2013, no impairment of our trade names was recognized. The annual impairment review of our trade names for the year ended December 31, 2014 resulted in a \$1.5 million non-cash impairment charge as a result of a change in the fair value of subsidiary trade names associated with certain prior acquisitions reported within our United States mechanical construction and facilities services segment and our United States building services segment.

In addition, we review for the impairment of other identifiable intangible assets that are being amortized whenever facts and circumstances indicate that their carrying values may not be fully recoverable. This test compares their carrying values to the undiscounted pre-tax cash flows expected to result from the use of the assets. If the assets are impaired, the assets are written down to their fair values, generally determined based on their future discounted cash flows. For the years ended December 31, 2015, 2014 and 2013, no impairment of our other identifiable intangible assets was recognized.

We have certain businesses, particularly within our United States industrial services segment, whose results are highly impacted by the demand for some of our offerings within the industrial and oil and gas markets. Future performance of this segment, along with a continued evaluation of the conditions of its end user markets, will be important to ongoing impairment assessments. Should this segment's actual results suffer a decline or expected future results be revised downward, the risk of goodwill impairment or impairment of other identifiable intangible assets would increase.

Our development of the present value of future cash flow projections used in impairment testing is based upon assumptions and estimates by management from a review of our operating results, business plans, anticipated growth rates and margins and weighted average cost of capital, among others. Those assumptions and estimates can change in future periods, and other factors used in assessing fair value are outside the control of management, such as interest rates. There can be no assurances that estimates and assumptions made for purposes of our goodwill and identifiable intangible asset impairment testing will prove to be accurate predictions of the future. If our assumptions regarding future business performance or anticipated growth rates and/or margins are not achieved, or there is a rise in interest rates, we may be required to record goodwill and/or identifiable intangible asset impairment charges in future periods. It is not possible at this time to determine if any such future impairment charge would result or, if it does, whether such a charge would be material.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have not used any derivative financial instruments during the years ended December 31, 2015 and 2014, including trading or speculating on changes in interest rates or commodity prices of materials used in our business.

We are exposed to market risk for changes in interest rates for borrowings under the 2013 Credit Agreement, which provides for a revolving credit facility and a term loan. Borrowings under the 2013 Credit Agreement bear interest at variable rates. For further information on borrowing rates and interest rate sensitivity, refer to the Liquidity and Capital Resources discussion in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations. As of December 31, 2015, there were no borrowings outstanding under the revolving credit facility and the balance on the term loan was \$315.0 million. Based on the \$315.0 million borrowings outstanding under the 2013 Credit Agreement, if overall interest rates were to increase by 25 basis points, interest expense, net of income taxes, would increase by approximately \$0.5 million in the next twelve months. Conversely, if overall interest rates were to decrease by 25 basis points, interest expense, net of income taxes, would decrease by approximately \$0.5 million in the next twelve months.

We are also exposed to construction market risk and its potential related impact on accounts receivable or costs and estimated earnings in excess of billings on uncompleted contracts. The amounts recorded may be at risk if our customers' ability to pay these obligations is negatively impacted by economic conditions. We continually monitor the creditworthiness of our customers and maintain on-going discussions with customers regarding contract status with respect to change orders and billing terms. Therefore, we believe we take appropriate action to manage market and other risks, but there is no assurance that we will be able to reasonably identify all risks with respect to collectibility of these assets. See also the previous discussions of Revenue Recognition from Long-term Construction Contracts and Services Contracts and Accounts Receivable under Application of Critical Accounting Policies in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Amounts invested in our foreign operations are translated into U.S. dollars at the exchange rates in effect at year end. The resulting translation adjustments are recorded as accumulated other comprehensive income (loss), a component of equity, in our

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Consolidated Balance Sheets. We believe the exposure to the effects that fluctuating foreign currencies may have on our consolidated results of operations is limited because the foreign operations primarily invoice customers and collect obligations in their respective local currencies. Additionally, expenses associated with these transactions are generally contracted and paid for in their same local currencies.

In addition, we are exposed to market risk of fluctuations in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our construction and building and industrial services operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of over 8,500 vehicles. While we believe we can increase our contract prices to adjust for some price increases in commodities, there can be no assurance that price increases of commodities, if they were to occur, would be recoverable. Additionally, our Fixed price contracts do not allow us to adjust our prices and, as a result, increases in material or fuel costs could reduce our profitability with respect to projects in progress.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 446,331	\$ 520,556
Accounts receivable, less allowance for doubtful accounts of \$ 1,175 and \$ 10,424, respectively	1,359,862	1,254,187
Costs and estimated earnings in excess of billings on completed contracts	255,734	63,201
Inventories	17,545	48,854
Prepaid expenses and other	68,447	50,105
Total current assets	2,067,419	1,886,603
Intestimonial notes and other long-term receivables	8,359	9,152
Property, plant and equipment, net	122,018	122,178
Goodwill	842,170	824,302
Identifiable intangible assets, net	472,834	502,060
Other assets	92,070	94,902
Total assets	\$ 3,546,470	\$ 3,388,967
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings under revolving credit facility	\$ —	\$ —
Current maturities of long-term debt and capital lease obligations	18,848	19,041
Accounts payable	463,231	466,472
Billings in excess of costs and estimated earnings on uncompleted contracts	429,235	368,555
Accrued payroll and benefits	268,003	249,854
Other accrued expenses and liabilities	269,361	189,489
Total current liabilities	1,438,628	1,293,411
Long-term debt and capital lease obligations	200,065	216,399
Other long-term obligations	427,621	439,764
Total liabilities	2,066,414	1,959,580
Equity:		
EMCOR Group, Inc. stockholders' equity:		
Preferred stock, \$100 par value, 1,000,000 shares authorized, none issued and outstanding	—	—
Common stock, \$0.01 par value, 200,000,000 shares authorized, 61,727,709 and 63,541,070 shares issued, respectively	617	636
Capital surplus	100,369	327,825
Accumulated other comprehensive loss	(76,953)	(83,197)
Retained earnings	1,432,680	1,280,991
Treasury stock, at cost (59,841) shares	(10,302)	(10,302)
Total EMCOR Group, Inc. stockholders' equity	1,476,711	1,416,913
Noncontrolling interests	3,345	13,374
Total equity	1,480,056	1,429,387
Total liabilities and equity	\$ 3,546,470	\$ 3,388,967

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS
For The Years Ended December 31,
(In thousands, except per share data)

	2015	2014	2013
Revenues	\$ 6,718,526	\$ 6,404,965	\$ 6,073,527
Cost of sales	5,774,217	5,517,719	5,511,881
Gross profit	944,309	887,246	561,646
Selling, general and administrative expenses	636,573	626,478	580,649
Restructuring expenses	694	1,168	61
Impairment loss on identifiable intangible assets	—	1,471	—
Gain on sale of financing	—	11,749	—
Operating income	287,082	289,878	240,350
Interest expense	(8,924)	(9,075)	(6,365)
Interest income	672	842	1,128
Income from continuing operations before income taxes	278,830	281,645	235,108
Income tax provision	166,256	103,528	82,286
Income from continuing operations	112,574	178,117	152,822
Loss from discontinued operation, net of income taxes	(60)	(4,690)	(23,069)
Net income (loss) including noncontrolling interests	112,514	173,427	129,753
Less: Net income attributable to noncontrolling interests	(221)	(4,763)	(3,562)
Net income attributable to EMCOR Group, Inc.	\$ 112,293	\$ 168,664	\$ 133,291
Basic earnings (loss) per common share:			
From continuing operations attributable to EMCOR Group, Inc. common stockholders	\$ 2.72	\$ 2.61	\$ 2.16
From discontinued operation	(0.00)	(0.07)	(0.34)
Net income attributable to EMCOR Group, Inc. common stockholders	\$ 2.72	\$ 2.54	\$ 1.82
Diluted earnings (loss) per common share:			
From continuing operations attributable to EMCOR Group, Inc. common stockholders	\$ 2.72	\$ 2.59	\$ 2.16
From discontinued operation	(0.00)	(0.07)	(0.34)
Net income attributable to EMCOR Group, Inc. common stockholders	\$ 2.72	\$ 2.52	\$ 1.82
Dividends declared per common share	\$ 0.32	\$ 0.32	\$ 0.38

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For The Years Ended December 31,
(in thousands)

	2015	2014	2013
Net income including noncontrolling interests	\$ 178,507	\$ 179,423	\$ 137,354
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(89)	(957)	(804)
Changes in post-retirement plans (1)	6,865	(16,463)	5,877
Other comprehensive income (loss)	6,776	(17,420)	5,073
Comprehensive income	178,751	156,007	142,617
Less: Comprehensive income attributable to noncontrolling interests	(21)	(1,783)	(5,823)
Comprehensive income attributable to EMCOR Group, Inc.	<u>\$ 178,530</u>	<u>\$ 151,244</u>	<u>\$ 139,055</u>

(1) Net of tax (provision) benefit of \$(1.6) million, \$4.2 million and \$(4.3) million for the years ended December 31, 2015, 2014 and 2013, respectively.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For The Years Ended December 31,
(in thousands)

	2015	2014	2013
Cash flows - operating activities:			
Net income including noncontrolling interests	\$ 172,507	\$ 171,427	\$ 127,354
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	35,204	56,524	36,310
Amortization of (debt)able intangible assets	17,895	27,966	30,065
Provision for doubtful accounts	2,633	2,918	3,533
Deferred income taxes	(10,880)	5,748	(1,552)
Loss on sale of subsidiary	—	608	—
Gain on sale of building	—	(41,749)	—
Gain on sale of property, plant and equipment	(248)	(4,520)	(935)
Loss (net) benefit from share-based compensation	(1,363)	(6,261)	(1,344)
Liability income from unconsolidated entities	(2,853)	(1,410)	(1,048)
Non-cash expense for amortization of deferred stock costs	(1,177)	(1,207)	(1,482)
Non-cash (income) expense from contingent consideration arrangements	(164)	606	(5,793)
Non-cash expense for impairment of identifiable intangible assets	—	(441)	—
Non-cash share-based compensation expense	8,301	8,121	6,345
Non-cash (income) expense from changes in unrecognized insurance benefits	(317)	2,143	(9,230)
Distributions from unconsolidated entities	3,352	1,767	679
Change in operating assets and liabilities, excluding the effect of business combinations:			
(Increase) decrease in accounts receivable	(115,307)	27,409	(3,221)
Increase (decrease) in inventories	9,743	9,369	4,859
(Increase) decrease in costs and estimated earnings in excess of billings on uncompleted contracts	(12,837)	(13,610)	2,807
Increase (decrease) in accounts payable	25,100	(25,122)	(12,900)
Increase (decrease) in billings in excess of costs and estimated earnings on uncompleted contracts	58,614	(11,868)	(2,793)
Change in contract assets, accrued payroll and benefits and other accrued expenses and liabilities	37,122	32,540	(1,871)
Changes in other assets and liabilities, net	15,762	(4,354)	(13,488)
Net cash provided by operating activities	266,666	246,657	330,965
Cash flows - investing activities:			
Payments for acquisitions of businesses, net of cash acquired	(28,193)	—	(44,671)
Proceeds from sale of subsidiary	—	1,108	—
Proceeds from sale of building	—	11,335	—
Proceeds from sale of property, plant and equipment	3,847	7,235	3,990
Purchase of property, plant and equipment	(35,460)	(38,033)	(35,497)
Investments in and advances to unconsolidated entities and joint ventures	—	(3,865)	(802)
Maturity of short-term investments	—	—	4,676
Net cash used in investing activities	(59,808)	(21,668)	(68,122)
Cash flows - financing activities:			
Proceeds from revolving credit facility	—	—	350,000
Repayments of revolving credit facility	—	—	(400,000)
Borrowings from long-term debt	—	—	350,000
Repayments of long-term debt and debt issuance costs	(7,514)	(7,454)	(3,213)
Repayments of capital lease obligations	(2,737)	(1,715)	(1,692)
Dividends paid to stockholders	(20,095)	(21,295)	(12,080)
Repurchase of common stock	(134,330)	(201,954)	(26,070)
Proceeds from exercise of stock options	1,836	6,858	5,172
Payments to satisfy minimum tax with holding	(2,360)	(1,481)	(927)
Issuance of common stock under employee stock purchase plan	4,228	3,615	2,854
Payments for contingent consideration arrangements	(403)	—	(537)
Distributions to noncontrolling interests	(10,250)	(4,750)	(1,200)
Excess tax benefits from share-based compensation	1,662	8,264	4,674
Net cash (used in) provided by financing activities	(149,473)	(229,932)	167,014
Effect of exchange rate changes on cash and cash equivalents	(2,610)	(2,796)	832

Increase (decrease) in cash and cash equivalents	34,778	(7,752)	(65,490)
Cash and cash equivalents at beginning of year	432,056	439,813	603,303
Cash and cash equivalents at end of period	\$ 466,834	\$ 432,061	\$ 537,813

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF EQUITY
For The Years Ended December 31,
(in thousands)

	EMCOR Group, Inc. Stockholders						
	Total	Common stock	Capital surplus	Accumulated other comprehensive (loss) income (1)	Retained earnings	Treasury stock	Noncontrolling interests
Balance, December 31, 2012	\$ 1,357,178	\$ 268	\$ 438,104	\$ (81,040)	\$ 722,839	\$ (1,309)	\$ 11,007
Net income including noncontrolling interests	127,254	—	—	—	123,092	—	2,562
Other comprehensive income	12,262	—	—	12,262	—	—	—
Common stock issued under share-based compensation plans (2)	10,710	5	9,694	—	—	1,613	—
Tax withholding for common stock issued under share-based compensation plans	(927)	—	(927)	—	—	—	—
Common stock issued under employee stock purchase plan	2,854	—	2,854	—	—	—	—
Common stock dividends	(12,280)	—	—	—	(12,280)	—	—
Repurchase of common stock	(26,370)	(7)	(26,063)	—	—	—	—
Distributions to noncontrolling interests	(1,000)	—	—	—	—	—	(1,000)
Share-based compensation expense	6,243	—	6,243	—	—	—	—
Balance, December 31, 2013	\$ 1,479,856	\$ 69	\$ 408,089	\$ (65,779)	\$ 734,033	\$ (10,590)	\$ 15,810
Net income including noncontrolling interests	173,427	—	—	—	168,664	—	4,763
Other comprehensive income	(17,423)	—	—	(17,420)	—	—	—
Common stock issued under share-based compensation plans (2)	15,370	8	15,274	—	—	285	—
Tax withholding for common stock issued under share-based compensation plans	(1,455)	—	(1,455)	—	—	—	—
Common stock issued under employee stock purchase plan	5,615	—	5,615	—	—	—	—
Common stock dividends	(21,299)	—	253	—	(21,546)	—	—
Repurchase of common stock	(206,028)	(48)	(205,980)	—	—	—	—
Distributions to noncontrolling interests	(1,350)	—	—	—	—	—	(1,350)
Share-based compensation expense	8,121	—	8,121	—	—	—	—
Balance, December 31, 2014	\$ 1,429,327	\$ (36)	\$ 227,865	\$ (83,147)	\$ 1,230,201	\$ (10,512)	\$ (3,073)
Net income including noncontrolling interests	172,507	—	—	—	172,266	—	241
Other comprehensive income	6,244	—	—	6,244	—	—	—
Common stock issued under share-based compensation plans (2)	5,433	5	5,428	—	—	—	—
Tax withholding for common stock issued under share-based compensation plans	(3,860)	—	(3,860)	—	—	—	—
Common stock issued under employee stock purchase plan	4,223	—	4,223	—	—	—	—
Common stock dividends	(20,395)	—	202	—	(20,193)	—	—
Repurchase of common stock	(12,378)	(24)	(12,304)	—	—	—	—
Distributions to noncontrolling interests	(10,250)	—	—	—	—	—	(10,250)
Share-based compensation expense	8,801	—	8,801	—	—	—	—
Balance, December 31, 2015	\$ 1,480,056	\$ 61	\$ 136,569	\$ (6,353)	\$ 1,434,983	\$ (10,309)	\$ 3,345

- (1) As of December 31, 2015, represents cumulative foreign currency translation and post-retirement liability adjustments of \$3.5 million and \$(80.5) million, respectively. As of December 31, 2014, represents cumulative foreign currency translation and post-retirement liability adjustments of \$1.1 million and \$(87.3) million, respectively. As of December 31, 2013, represents cumulative foreign currency translation and post-retirement liability adjustments of \$5.1 million and \$(91.9) million, respectively.
- (2) Includes the tax benefits associated with all share-based compensation of \$1.6 million in 2015, \$8.6 million in 2014 and \$5.2 million in 2013.

The accompanying notes to consolidated financial statements are an integral part of these statements.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - NATURE OF OPERATIONS

References to the "Company," "EMCOR," "we," "us," "our" and similar words refer to EMCOR Group, Inc. and its consolidated subsidiaries unless the context indicates otherwise.

We are one of the largest electrical and mechanical construction and facilities services firms in the United States. In addition, we provide a number of building services and industrial services. We specialize principally in providing construction services relating to electrical and mechanical systems in all types of non-residential and certain residential facilities and in providing various services relating to the operation, maintenance and management of facilities, including refineries and petrochemical plants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries and joint ventures. Significant intercompany accounts and transactions have been eliminated. All investments over which we exercise significant influence, but do not control (a 20% to 50% ownership interest), are accounted for using the equity method of accounting. Additionally, we participate in a joint venture with another company, and we have consolidated this joint venture as we have determined that through our participation we have a variable interest and are the primary beneficiary as defined by the Financial Accounting Standards Board ("FASB") Accounting Standard Codification ("ASC") Topic 810, "Consolidation".

For joint ventures that have been accounted for using the consolidation method of accounting, noncontrolling interest represents the allocation of earnings to our joint venture partners who either have a minority-ownership interest in the joint venture or are not at risk for the majority of losses of the joint venture.

The results of operations of companies acquired have been included in the results of operations from the date of the respective acquisition.

Principles of Preparation

The preparation of the consolidated financial statements, in conformity with accounting principles generally accepted in the United States, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented as discontinued operations. The segment formerly named the United Kingdom construction and building services segment has been renamed the United Kingdom building services segment.

Revenue Recognition

Revenues from long-term construction contracts are recognized on the percentage-of-completion method in accordance with ASC Topic 605-35, "Revenue Recognition-Construction-Type and Production-Type Contracts". Percentage-of-completion is measured principally by the percentage of costs incurred to date for each contract to the estimated total costs for such contract at completion. Certain of our electrical contracting business units measure percentage-of-completion by the percentage of labor costs incurred to date for each contract to the estimated total labor costs for such contract. Pre-contract costs from our construction projects are generally expensed as incurred. Revenues from the performance of services for maintenance, repair and retrofit work are recognized consistent with the performance of the services, which are generally on a pro-rata basis over the life of the contractual arrangement. Expenses related to all services arrangements are recognized as incurred. Revenues related to the engineering, manufacturing and repairing of steel and tube heat exchangers are recognized when the product is shipped and all other revenue recognition criteria have been met. Costs related to this work are included in inventory until the product is shipped. In the case of customer change orders for uncompleted long-term construction contracts, estimated recoveries are included for work performed in forecasting ultimate profitability on certain contracts. Due to uncertainties inherent in the estimation process, it is possible that completion costs, including those arising from contract penalty provisions and final contract settlements, will be revised in the near-term. Such revisions to costs and income are recognized in the period in which the revisions are determined. Provisions for the entirety of estimated losses on uncompleted contracts are made in the period in which such losses are determined. There were no significant losses recognized in 2013 and 2014.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)*Costs and estimated earnings on uncompleted contracts*

Costs and estimated earnings in excess of billings on uncompleted contracts arise in the consolidated balance sheets when revenues have been recognized but the amounts cannot be billed under the terms of the contracts. Such amounts are recoverable from customers upon various measures of performance, including achievement of certain milestones, completion of specified units, or completion of a contract. Also included in costs and estimated earnings on uncompleted contracts are amounts we seek or will seek to collect from customers or others for errors or changes in contract specifications or design, contract change orders in dispute or unapproved as to both scope and/or price or other customer-related causes of unanticipated additional contract costs (claims and unapproved change orders). Such amounts are recorded at estimated net realizable value when realization is probable and can be reasonably estimated. No profit is recognized on construction costs incurred in connection with claim amounts. Claims and unapproved change orders made by us involve negotiation and, in certain cases, litigation. In the event litigation costs are incurred by us in connection with claims or unapproved change orders, such litigation costs are expensed as incurred, although we may seek to recover these costs. We believe that we have established legal bases for pursuing recovery of our recorded unapproved change orders and claims, and it is management's intention to pursue and litigate such claims, if necessary, until a determination or settlement is reached. Unapproved change orders and claims also involve the use of estimates, and it is reasonably possible that revisions to the estimated recoverable amounts of recorded claims and unapproved change orders may be made in the near term. If we do not successfully resolve these matters, a net expense (recorded as a reduction in revenues) may be required, in addition to amounts that may have been previously provided for. We record the profit associated with the settlement of claims upon receipt of final payment. During 2015, we recognized revenues of \$12.1 million as a result of the settlement of a claim within our United States mechanical construction and facilities services segment, which represents the recovery of cost on a project in which we incurred significant losses in a prior year. There were no significant settlements or payment of claims in 2014. Claims against us are recognized when a loss is considered probable and amounts are reasonably determinable.

Costs and estimated earnings on uncompleted contracts and related amounts billed as of December 31, 2015 and 2014 were as follows (in thousands):

	2015	2014
Contractually billed amounts on uncompleted contracts	\$ 7,532,108	\$ 6,201,227
Estimated earnings, thereon	562,587	308,543
	8,094,695	6,509,770
Less: billings to date	8,756,596	8,694,425
	<u>\$ (391,501)</u>	<u>\$ (268,381)</u>

Such amounts were included in the accompanying Consolidated Balance Sheets at December 31, 2015 and 2014 under the following captions (in thousands):

	2015	2014
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 115,734	\$ 103,301
Billings in excess of costs and estimated earnings on uncompleted contracts	(429,235)	(368,555)
	<u>\$ (391,501)</u>	<u>\$ (368,381)</u>

As of December 31, 2015 and 2014, costs and estimated earnings in excess of billings on uncompleted contracts included unbilled revenues for unapproved change orders of approximately \$18.9 million and \$18.8 million, respectively, and claims of approximately \$0.9 million and \$3.0 million, respectively. In addition, accounts receivable as of December 31, 2015 and 2014 included claims of approximately \$0.3 million and \$2.3 million, respectively. There are contractually billed amounts and retention related to contracts with unapproved change orders and claims of \$52.0 million and \$54.0 million as of December 31, 2015 and 2014, respectively. For contracts in claim status, contractually billed amounts will generally not be paid by the customer to us until final resolution of related claims.

Classification of Contract Amounts

In accordance with industry practice, we classify as current all assets and liabilities relating to the performance of long-term contracts. The term of our contracts ranges from one month to four years and, accordingly, collection or payment of amounts relating to these contracts may extend beyond one year. Accounts receivable at December 31, 2015 and 2014 included \$189.2 million and \$177.8 million, respectively, of retainage billed under terms of our contracts. We estimate that approximately 85% of

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

this retainage will be collected during 2016. Accounts payable at December 31, 2015 and 2014 included \$34.6 million and \$35.7 million, respectively, of retainage withheld under terms of the contracts. We estimate that approximately 90% of this retainage will be paid during 2016.

Cash and cash equivalents

For purposes of the consolidated financial statements, we consider all highly liquid instruments with original maturities of three months or less to be cash equivalents. We maintain a centralized cash management system whereby our excess cash balances are invested in high quality, short-term money market instruments, which are considered cash equivalents. We have cash balances in certain of our domestic bank accounts that exceed federally insured limits.

Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for doubtful accounts. This allowance is based upon the best estimate of the probable losses in existing accounts receivable. The Company determines the allowances based upon individual accounts when information indicates the customer may have an inability to meet their financial obligations, as well as historical collection and write-off experience. These amounts are re-evaluated and adjusted on a regular basis as additional information is received. Actual write-offs are charged against the allowance when collection efforts have been unsuccessful. At December 31, 2015 and 2014, our accounts receivable of \$1,355.9 million and \$1,214.2 million, respectively, included allowances for doubtful accounts of \$11.2 million and \$10.6 million, respectively. The provision for doubtful accounts during 2015, 2014 and 2013 amounted to approximately \$2.9 million, \$2.9 million and \$3.5 million, respectively.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined principally using the average cost method.

Property, plant and equipment

Property, plant and equipment is stated at cost. Depreciation, including amortization of assets under capital leases, is recorded principally using the straight-line method over estimated useful lives of 3 to 10 years for machinery and equipment, 3 to 7 years for vehicles, furniture and fixtures and computer hardware/software and 25 years for buildings. Leasehold improvements are amortized over the shorter of the remaining life of the lease term or the expected service life of the improvement.

The carrying values of property, plant and equipment are reviewed for impairment whenever facts and circumstances indicate that the carrying amount may not be fully recoverable. In performing this review for recoverability, property, plant and equipment is assessed for possible impairment by comparing their carrying values to their undiscounted net pre-tax cash flows expected to result from the use of the asset. Impaired assets are written down to their fair values, generally determined based on their estimated future discounted cash flows. Based on the results of our testing for the years ended December 31, 2015, 2014 and 2013, no impairment of property, plant and equipment was recognized.

Goodwill and Identifiable Intangible Assets

Goodwill and other identifiable intangible assets with indefinite lives that are not being amortized, such as trade names, are tested at least annually for impairment (which we test each October 1, absent any impairment indicators) and are written down if impaired. Identifiable intangible assets with finite lives are amortized over their useful lives and are reviewed for impairment whenever facts and circumstances indicate that their carrying values may not be fully recoverable. See Note 8 - Goodwill and Identifiable Intangible Assets of the notes to consolidated financial statements for additional information.

Insurance Liabilities

Our insurance liabilities are determined actuarially based on claims filed and an estimate of claims incurred but not yet reported. At December 31, 2015 and 2014, the estimated current portion of undiscounted insurance liabilities of \$29.9 million and \$28.8 million, respectively, were included in "Other accrued expenses and liabilities" in the accompanying Consolidated Balance Sheets. The estimated non-current portion of the undiscounted insurance liabilities included in "Other long-term obligations" at December 31, 2015 and 2014 were \$114.3 million and \$106.3 million, respectively.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Foreign Operations

The financial statements and transactions of our foreign subsidiaries are maintained in their functional currency and translated into U.S. dollars in accordance with ASC Topic 830, "Foreign Currency Matters". Translation adjustments have been recorded as "Accumulated other comprehensive loss", a separate component of "Equity".

Income Taxes

We account for income taxes in accordance with the provisions of ASC Topic 740, "Income Taxes" ("ASC 740"). ASC 740 requires an asset and liability approach which requires the recognition of deferred income tax assets and deferred income tax liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Valuation allowances are established when necessary to reduce deferred income tax assets when it is more likely than not that a tax benefit will not be realized.

We account for uncertain tax positions in accordance with the provisions of ASC 740. We recognize accruals of interest related to unrecognized tax benefits as a component of the income tax provision.

Valuation of Share-Based Compensation Plans

We have various types of share-based compensation plans and programs, which are administered by our Board of Directors or its Compensation and Personnel Committee. See Note 13 - Share-Based Compensation Plans of the notes to consolidated financial statements for additional information regarding the share-based compensation plans and programs.

We account for share-based payments in accordance with the provisions of ASC Topic 718, "Compensation-Stock Compensation" ("ASC 718"). ASC 718 requires that all share-based payments issued to acquire goods or services, including grants of employee stock options, be recognized in the statement of operations based on their fair values, net of estimated forfeitures. ASC 718 requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Compensation expense related to share-based awards is recognized over the requisite service period, which is generally the vesting period. For shares subject to graded vesting, our policy is to apply the straight-line method in recognizing compensation expense. ASC 718 requires the benefits of tax deductions in excess of recognized compensation expense to be reported as a financing cash inflow, rather than as an operating cash inflow in the Consolidated Statements of Cash Flows. This requirement reduces net operating cash flows and increases net financing cash flows.

New Accounting Pronouncements

In November 2015, an accounting pronouncement was issued by the FASB to simplify the presentation of deferred income taxes within the balance sheet. This pronouncement eliminates the requirement that deferred tax assets and liabilities are presented as current or noncurrent based on the nature of the underlying assets and liabilities. Instead, the pronouncement requires all deferred tax assets and liabilities, including valuation allowances, to be classified as noncurrent. This pronouncement is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. We intend to adopt this pronouncement on January 1, 2017, and the adoption will not have a material impact on our financial position and/or results of operations.

In September 2015, an accounting pronouncement was issued by the FASB which eliminates the requirement that an acquirer in a business combination account for measurement-period adjustments retrospectively. Instead, an acquirer will recognize a measurement-period adjustment during the period in which it determines the amount of the adjustment. This pronouncement is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. We intend to adopt this pronouncement on January 1, 2016, and the adoption will not have a material impact on our financial position and/or results of operations.

In April 2015, an accounting pronouncement was issued by the FASB to update the guidance related to the presentation of debt issuance costs. This guidance requires debt issuance costs, related to a recognized debt liability, be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability rather than being presented as an asset. This pronouncement is effective retrospectively for fiscal years beginning after December 15, 2015, with early adoption permitted. We intend to adopt this pronouncement on January 1, 2016, and the adoption will not have a material impact on our financial position and/or results of operations.

On January 1, 2015, we adopted the accounting pronouncement issued by the FASB updating existing guidance on discontinued operations. This guidance raises the threshold for a disposal to qualify as a discontinued operation, and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. This

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

pronouncement is aimed at reducing the frequency of disposals reported as discontinued operations by focusing on strategic shifts that have or will have a major effect on an entity's operations and financial results. We will consider this guidance in conjunction with future disposals, if any.

In May 2014, an accounting pronouncement was issued by the FASB to clarify existing guidance on revenue recognition. This guidance includes the required steps to achieve the core principle that a company should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. This pronouncement is effective for fiscal years and interim periods beginning after December 15, 2017, with early adoption permitted. The guidance permits the use of one of two retrospective transition methods. We have not yet selected a transition method nor have we determined the effect that the adoption of the pronouncement may have on our financial position and/or results of operations.

NOTE 3 - ACQUISITIONS OF BUSINESSES

On October 19, 2015, October 13, 2015 and June 1, 2015, we acquired three companies, each for an immaterial amount. Two of the companies acquired primarily provide mechanical construction services, and their results of operations have been included in our United States mechanical construction and facilities services segment. The results of operations for the other company acquired have been included in our United States building services segment. The purchase price for the acquisition of these businesses is subject to finalization based on certain contingencies provided for in the purchase agreement. The acquisition of these businesses was accounted for by the acquisition method, and the prices paid for them have been allocated to their respective assets and liabilities, based upon the estimated fair values of their assets and liabilities at the dates of their respective acquisitions.

On July 29, 2013, we completed the acquisition of Repson-Strickland, Inc. ("RSI"). This acquisition expands and strengthens our service offerings to new and existing customers and enhances our position within the industrial services and energy market sectors. Under the terms of the transaction, we acquired 100% of RSI's stock for total consideration of \$453.6 million. The acquisition was funded with cash on hand and \$250.0 million from borrowings under our revolving credit facility. This acquisition was accounted for using the acquisition method of accounting. We acquired working capital of \$35.5 million and other net liabilities of \$67.3 million, and have ascribed \$267.8 million to goodwill and \$227.4 million to identifiable intangible assets in connection with the acquisition of RSI, which has been included in our United States industrial services segment. We expect that \$49.0 million of acquired goodwill will be deductible for tax purposes.

On December 2, 2013 and May 31, 2013, we acquired two companies, each for an immaterial amount. These companies primarily provide mechanical construction services and have been included in our United States mechanical construction and facilities services segment. The purchase price for the acquisition of these businesses was finalized with an insignificant impact. The acquisition of these businesses was accounted for by the acquisition method, and the prices paid for them have been allocated to their respective assets and liabilities, based upon the estimated fair values of their respective assets and liabilities at the dates of their respective acquisitions. We believe these businesses further expand our service capabilities into new geographical and/or technical areas.

During the years ended December 31, 2015 and December 31, 2013, we recorded net reversals of \$0.5 million and \$6.8 million, respectively, of liabilities resulting in non-cash income attributable to contingent consideration arrangements relating to prior acquisitions. During the year ended December 31, 2014, we recorded an increase of \$0.6 million of liabilities resulting in non-cash expense attributable to contingent consideration arrangements relating to prior acquisitions.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - DISPOSITION OF ASSETS

In January 2014, we sold a subsidiary reported in our United States building services segment. Proceeds from the sale totaled approximately \$1.1 million. Included in net income for the year ended December 31, 2014 was a loss of \$0.6 million from this sale, which is classified as a component of "Scaling, general, and administrative expenses" in the Consolidated Statements of Operations.

On July 22, 2014, we sold a building and land owned by one of our subsidiaries reported in the United States mechanical construction and facilities services segment. We recognized a gain of approximately \$11.7 million on this transaction in the third quarter of 2014, which has been classified as a "Gain on sale of building" in the Consolidated Statements of Operations.

Due to a historical pattern of losses in the construction operations of our United Kingdom segment and our negative assessment of construction market conditions in the United Kingdom for the foreseeable future, we announced during the quarter ended June 30, 2013 our decision to withdraw from the construction market in the United Kingdom. During the third quarter of 2014, we ceased construction operations in the United Kingdom. The results of the construction operations of our United Kingdom segment for all periods are presented in our Consolidated Financial Statements as discontinued operations.

The results of the discontinued operation are as follows (in thousands):

	For the twelve months ended December 31,		
	2015	2014	2013
Revenues	\$ 2,623	\$ 19,727	\$ 89,433
Loss from discontinued operation, net of income taxes	\$ (60)	\$ (1,690)	\$ (23,069)
Related loss per share from discontinued operation	\$ (0.00)	\$ (0.02)	\$ (0.34)

Included in the Consolidated Balance Sheets at December 31, 2015 and December 31, 2014 are the following major classes of assets and liabilities associated with the discontinued operation (in thousands):

	December 31, 2015	December 31, 2014
Assets of discontinued operation		
Current assets	\$ 2,525	\$ 6,265
Non-current assets	\$ —	\$ 238
Liabilities of discontinued operation		
Current liabilities	\$ 4,407	\$ 10,743
Non-current liabilities	\$ —	\$ 94

At December 31, 2015, the assets and liabilities of the discontinued operation consisted of accounts receivable, contract retentions and contract warranty obligations that are expected to be collected or fulfilled in the ordinary course of business. Additionally at December 31, 2015, there remained \$0.2 million of obligations related to employee severance and the termination of leased facilities, which is expected to be paid during the first half of 2016. The settlement of the remaining assets and liabilities may result in additional income and/or expenses. Such income and/or expenses are expected to be immaterial and will be reflected as an additional component of "Loss from discontinued operation" as incurred.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - EARNINGS PER SHARE

The following tables summarize our calculation of Basic and Diluted Earnings (Loss) per Common Share ("EPS") for the years ended December 31, 2015, 2014 and 2013 (in thousands, except share and per share data):

	2015	2014	2013
Numerator:			
Earnings from continuing operations attributable to EMCOR Group, Inc. common stockholders	\$ 172,346	\$ 174,354	\$ 156,801
Loss from discontinued operation, net of income taxes	(60)	(4,690)	(23,069)
Net income attributable to EMCOR Group, Inc. common stockholders	<u>\$ 172,286</u>	<u>\$ 169,664</u>	<u>\$ 133,732</u>
Denominator:			
Weighted average common shares used to compute basic earnings (loss) per common share	69,789,120	68,431,897	67,686,190
Effect of dilutive securities—Share-based awards	518,952	720,623	990,542
Shares used to compute diluted earnings (loss) per common share	<u>70,308,072</u>	<u>69,152,520</u>	<u>68,676,732</u>
Basic earnings (loss) per common share:			
From continuing operations attributable to EMCOR Group, Inc. common stockholders	\$ 2.47	\$ 2.56	\$ 2.19
From discontinued operation	(0.00)	(0.07)	(0.34)
Net income attributable to EMCOR Group, Inc. common stockholders	<u>\$ 2.47</u>	<u>\$ 2.49</u>	<u>\$ 1.85</u>
Diluted earnings (loss) per common share:			
From continuing operations attributable to EMCOR Group, Inc. common stockholders	\$ 2.42	\$ 2.39	\$ 2.05
From discontinued operation	(0.00)	(0.07)	(0.34)
Net income attributable to EMCOR Group, Inc. common stockholders	<u>\$ 2.42</u>	<u>\$ 2.32</u>	<u>\$ 1.71</u>

There were no anti-dilutive awards for the years ended December 31, 2015, 2014 and 2013.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - INVENTORIES

Inventories as of December 31, 2015 and 2014 consist of the following amounts (in thousands):

	2015	2014
Raw materials and construction materials	23,281	23,231
Work in process	14,306	23,524
	<u>\$ 37,587</u>	<u>\$ 46,755</u>

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Machinery and equipment	123,211	126,273
Vehicles	51,673	45,036
Furniture and fixtures	20,280	20,293
Computer hardware/software	85,999	89,638
Land, buildings and leasehold improvements	88,877	81,208
Construction in progress	5,688	6,926
	<u>286,128</u>	<u>269,377</u>
Accumulated depreciation and amortization	(264,154)	(241,829)
	<u>\$ 121,974</u>	<u>\$ 127,548</u>

Depreciation and amortization expense related to property, plant and equipment, including capital leases, was \$36.3 million, \$36.5 million and \$36.3 million for the years ended December 31, 2015, 2014 and 2013, respectively.

NOTE 8 - GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

Goodwill at December 31, 2015 and 2014 was approximately \$849.2 million and \$834.1 million, respectively, and reflects the excess of cost over fair market value of net identifiable assets of companies acquired. Goodwill attributable to companies acquired in 2015 has been valued at \$9.1 million. No companies were acquired in 2014. ASC Topic 805, "Business Combinations" ("ASC 805") requires that all business combinations be accounted for using the acquisition method and that certain identifiable intangible assets acquired in a business combination be recognized as assets apart from goodwill. ASC Topic 350, "Intangibles—Goodwill and Other" ("ASC 350") requires goodwill and other identifiable intangible assets with indefinite useful lives not be amortized, such as trade names, but instead tested at least annually for impairment (which we test each October 1, absent any impairment indicators) and be written down if impaired. ASC 350 requires that goodwill be allocated to its respective reporting unit and that identifiable intangible assets with finite lives be amortized over their useful lives. As of December 31, 2015, approximately 45.6% of our goodwill related to our United States industrial services segment, approximately 27.1% of our goodwill related to our United States building services segment, approximately 26.8% related to our United States mechanical construction and facilities services segment and approximately 0.5% related to our United States electrical construction and facilities services segment.

We test for impairment of goodwill at the reporting unit level. Our reporting units are consistent with the reportable segments identified in Note 17, "Segment Information", of the notes to consolidated financial statements. In assessing whether our goodwill is impaired, we utilize the two-step process as prescribed by ASC 350. The first step of this test computes the fair value of the reporting unit, determined based upon discounted estimated future cash flows, to the carrying amount, including goodwill. If the fair value exceeds the carrying amount, no further analysis is required and no impairment loss is recognized. If the carrying amount of the reporting unit exceeds the fair value, the goodwill of the reporting unit is potentially impaired and step two of the goodwill impairment test would need to be performed to measure the amount of an impairment loss, if any. In the second step, the impairment is computed by comparing the implied fair value of the reporting unit's goodwill with the carrying amount of the goodwill. If the carrying amount of the reporting unit's goodwill is greater than the implied fair value of its goodwill, an impairment loss in the amount of the excess is recognized and charged to operations. The weighted average cost of capital used in our annual testing for

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS - (Continued)

Impairment as of October 1, 2015 was 11.1%, 11.7% and 11.0% for our domestic construction segments, our United States building services segment and our United States industrial services segment, respectively. The perpetual growth rate used for our annual testing was 2.7% for all of our domestic segments. Unfavorable changes in these key assumptions may affect future testing results and cause us to fail step one of the goodwill impairment testing process. For example, keeping all other assumptions constant, a 50 basis point increase in the weighted average cost of capital would cause the estimated fair value of our United States industrial services segment to approach its carrying value. A 50 basis point increase in the weighted average cost of capital would not significantly reduce the excess of the estimated fair value compared to the carrying value for any of our other domestic segments. In addition, keeping all other assumptions constant, a 50 basis point reduction in the perpetual growth rate would not significantly reduce the excess of the estimated fair value compared to the carrying value for any of our domestic segments. For the years ended December 31, 2015, 2014 and 2013, no impairment of our goodwill was recognized.

We also test for the impairment of trade names that are not subject to amortization by calculating the fair value of such trade names using the "franchise royalty payments" methodology. This approach involves two steps: (a) estimating reasonable royalty rates for each trade name and (b) applying these royalty rates to a net revenue stream and discounting the resulting cash flows to determine fair value. This fair value is then compared with the carrying value of each trade name. If the carrying amount of the trade name is greater than the implied fair value of the trade name, an impairment in the amount of the excess is recognized and charged to operations. For the years ended December 31, 2015 and 2013, no impairment of our trade names was recognized. The annual impairment review of our trade names for the year ended December 31, 2014 resulted in a \$1.5 million non-cash impairment charge as a result of a change in the fair value of subsidiary trade names associated with certain prior acquisitions reported within our United States mechanical construction and facilities services segment and our United States building services segment.

In addition, we review for the impairment of other identifiable intangible assets that are being amortized whenever facts and circumstances indicate that their carrying values may not be fully recoverable. This test compares their carrying values to the undiscounted pre-tax cash flows expected to result from the use of the assets. If the assets are impaired, the assets are written down to their fair values, generally determined based on their future discounted cash flows. For the years ended December 31, 2015, 2014 and 2013, no impairment of our other identifiable intangible assets was recognized.

Our development of the present value of future cash flow projections used in impairment testing is based upon assumptions and estimates by management from a review of our operating results, business plans, anticipated growth rates and margins and weighted average cost of capital, among others. These assumptions and estimates can change in future periods, and other factors used in assessing fair value are outside the control of management, such as interest rates. There can be no assurance that our estimates and assumptions made for purposes of our goodwill and identifiable intangible asset impairment testing will prove to be accurate predictions of the future. If our assumptions regarding future business performance plans or anticipated growth rates and/or margins are not achieved, or there is a rise in interest rates, we may be required to record goodwill and/or identifiable intangible asset impairment charges in future periods. It is not possible at this time to determine if any such future impairment charge would result or, if it does, whether such a charge would be material.

The changes in the carrying amount of goodwill by reportable segments during the years ended December 31, 2015 and 2014 were as follows (in thousands):

	United States electrical construction and facilities services segment	United States mechanical construction and facilities services segment	United States building services segment	United States industrial services segment	Total
Balance at December 31, 2013	\$ 3,823	\$ 217,285	\$ 229,204	\$ 384,543	\$ 834,825
Acquisitions, sales and purchase price adjustments	—	—	(819)	96	(723)
Balance at December 31, 2014	3,823	217,285	328,386	384,639	834,102
Acquisitions, sales and purchase price adjustments	—	8,816	252	—	9,068
Balance at December 31, 2015	\$ 3,823	\$ 226,071	\$ 328,637	\$ 384,639	\$ 843,170

The aggregate goodwill balance as of December 31, 2015 included \$210.6 million of accumulated impairment charges, which were comprised of \$159.5 million within the United States building services segment and \$71.1 million within the United States industrial services segment.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS - (Continued)

Identifiable intangible assets as of December 31, 2015 and 2014 consist of the following (in thousands):

	December 31, 2015			Total
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	
Contact backlog	\$ 47,744	(47,744)	\$ —	\$ —
Developed technology/Vendor network	95,661	(40,482)	—	55,179
Customer relationships	490,356	(14,695)	(4,824)	470,837
Non-competition agreements	10,220	(9,832)	—	388
Trade names (amortized)	21,218	(2,113)	—	19,105
Trade names (unamortized)	174,039	—	(49,437)	124,602
Total	\$ 880,268	\$ (114,764)	\$ (54,261)	\$ 711,243

	December 31, 2014			Total
	Gross Carrying Amount	Accumulated Amortization	Accumulated Impairment Charge	
Contact backlog	\$ 17,620	(17,620)	\$ —	\$ —
Developed technology/Vendor network	95,661	(35,347)	—	60,314
Customer relationships	428,173	(17,787)	(4,824)	405,562
Non-competition agreements	9,930	(9,350)	—	580
Trade names (amortized)	21,238	(2,515)	—	18,723
Trade names (unamortized)	170,218	—	(49,437)	120,781
Total	\$ 773,000	\$ (214,969)	\$ (54,261)	\$ 503,770

Identifiable intangible assets attributable to companies acquired in 2015 have been valued at \$8.7 million. No companies were acquired in 2014. See Note 3 - Acquisitions of Businesses of the notes to consolidated financial statements for additional information. The identifiable intangible amounts are amortized on a straight-line basis. The weighted average amortization periods for the unamortized balances remaining are, in the aggregate, approximately 11 years, which are comprised of the following: 11.5 years for developed technology/vendor network, 11 years for customer relationships, 1.5 years for non-competition agreements and 4 years for trade names.

Amortization expense related to identifiable intangible assets with finite lives was \$17.9 million, \$33.0 million and \$31.0 million for the years ended December 31, 2015, 2014 and 2013, respectively. The following table presents the estimated future amortization expense of identifiable intangible assets in the following years (in thousands):

2016	\$ 37,380
2017	35,003
2018	32,833
2019	30,853
2020	30,671
Thereafter	181,490
	\$ 348,232

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 - DEBT*Credit Facilities*

Until November 25, 2013, we had a revolving credit agreement (the "2011 Credit Agreement") as amended, which provided for a revolving credit facility of \$750.0 million. The 2011 Credit Agreement was effective November 21, 2011. Effective November 25, 2013, we amended and restated the 2011 Credit Agreement to provide for a \$750.0 million revolving credit facility (the "2013 Revolving Credit Facility") and a \$350.0 million term loan (the "Term Loan") (collectively referred to as the "2013 Credit Agreement") expiring November 25, 2018. The proceeds of the Term Loan were used to repay amounts drawn under the 2011 Credit Agreement. We may increase the 2013 Revolving Credit Facility to \$1.05 billion if additional lenders are identified and/or existing lenders are willing to increase their current commitments, and we may allocate up to \$250.0 million of available capacity under the 2013 Revolving Credit Facility to letters of credit for our account or for the account of our subsidiaries. The 2013 Credit Agreement is guaranteed by most of our direct and indirect subsidiaries and is secured by substantially all of our assets and most of the assets of most of our subsidiaries. The 2013 Revolving Credit Facility and the Term Loan contain various covenants providing for, among other things, maintenance of certain financial ratios and certain limitations on payment of dividends, common stock repurchases, investments, acquisitions, indebtedness and capital expenditures. We were in compliance with all such covenants as of December 31, 2015 and December 31, 2014. A commitment fee is payable on the average daily unused amount under the 2013 Revolving Credit Facility, which ranges from 0.20% to 0.35%, based on certain financial tests. The fee was 0.20% of the unused amount as of December 31, 2015. Borrowings under the 2013 Credit Agreement bear interest at (1) a rate which is the prime commercial lending rate announced by Bank of Montreal from time to time (3.50% at December 31, 2015) plus 0.25% to 0.75%, based on certain financial tests or (2) United States dollar LIBOR (0.42% at December 31, 2015) plus 1.25% to 1.75%, based on certain financial tests. The interest rate in effect at December 31, 2015 was 1.67%. Fees for letters of credit issued under the 2013 Revolving Credit Facility range from 1.25% to 1.75% of the respective face amounts of outstanding letters of credit and are computed based on certain financial tests. We capitalized approximately \$3.0 million of debt issuance costs associated with the 2013 Credit Agreement. This amount is being amortized over the life of the agreement and is included as part of interest expense. We are required to make principal payments on the Term Loan in installments on the last day of March, June, September and December of each year, commencing with the calendar quarter ended March 31, 2014, in the amount of \$4.4 million, with a final payment of all unpaid principal and interest due and payable on November 25, 2018. As of December 31, 2015 and December 31, 2014, the balance on the Term Loan was \$315.0 million and \$332.5 million, respectively. As of December 31, 2015 and December 31, 2014, we had approximately \$99.0 million and \$95.5 million of letters of credit outstanding, respectively. There were no borrowings outstanding under the 2013 Revolving Credit Facility as of December 31, 2015 and December 31, 2014.

Long-term debt in the accompanying Consolidated Balance Sheets consisted of the following amounts as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Term Loan, interest payable at varying amounts through 2018	\$ 315,000	\$ 332,500
Capitalized Lease Obligations, at weighted average interest rates from 3.0% to 5.8% payable in varying amounts through 2020	3,869	2,881
Other payable through 2019	18,828	19,041
Less current maturities	(315,915)	(335,440)
	<u>\$ 300,065</u>	<u>\$ 316,599</u>

Capitalized Lease Obligations

See Note 15 - Commitments and Contingencies of the notes to consolidated financial statements for additional information.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 - FAIR VALUE MEASUREMENTS

We use a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy, which gives the highest priority to quoted prices in active markets, is comprised of the following three levels:

Level 1 - Unadjusted quoted market prices in active markets for identical assets and liabilities.

Level 2 - Observable inputs, other than Level 1 inputs. Level 2 inputs would typically include quoted prices in markets that are not active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 - Prices or valuations that require inputs that are both significant to the measurement and unobservable.

The following tables provide the assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2015 and December 31, 2014 (in thousands):

Asset Category	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 498,560	\$ —	\$ —	\$ 498,560
Restricted cash ⁽²⁾	4,232	—	—	4,232
Deferred compensation plan assets ⁽³⁾	7,097	—	—	7,097
Total	\$ 498,560	\$ —	\$ —	\$ 498,560

Asset Category	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents ⁽¹⁾	\$ 442,056	\$ —	\$ —	\$ 442,056
Restricted cash ⁽²⁾	6,474	—	—	6,474
Deferred compensation plan assets ⁽³⁾	3,159	—	—	3,159
Total	\$ 441,669	\$ —	\$ —	\$ 441,669

- (1) Cash and cash equivalents consist primarily of money market funds with original maturity dates of three months or less, which are Level 1 assets. At December 31, 2015 and 2014, we had \$15.4 million and \$15.7 million, respectively, in money market funds.
- (2) Restricted cash is classified as "Prepaid expenses and other" in our consolidated balance sheets.
- (3) Deferred compensation plan assets are classified as "Other assets" in our consolidated balance sheets.

We believe that the carrying values of our financial instruments, which include accounts receivable and other financing commitments, approximate their fair values due primarily to their short-term maturities and low risk of counterparty default. The carrying value of our debt associated with the 2015 Credit Agreement approximates its fair value due to the variable rate on such debt.

NOTE 11 - INCOME TAXES

Our 2015 income tax provision from continuing operations was \$106.3 million compared to \$103.5 million for 2014 and \$82.3 million for 2013. The actual income tax rates on income from continuing operations before income taxes, less amounts attributable to noncontrolling interests, for the years ended December 31, 2015, 2014 and 2013, were 38.1%, 37.4% and 35.9%, respectively. The increase in the 2015 income tax provision compared to 2014 was predominantly due to certain increases in the state tax provision attributable to the mix of earnings and the effect of a change in the United Kingdom statutory tax rate on deferred tax assets. The increase in the 2014 income tax provision compared to 2013 was primarily due to the effect of increased income before income taxes and the 2013 reversal of reserves for previously unrecognized income tax benefits.

As of December 31, 2015 and 2014, the amount of unrecognized income tax benefits was \$4.8 million and \$5.2 million (of which \$3.6 million, if recognized, would favorably affect our effective income tax rate), respectively.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES - (Continued)

As of December 31, 2015 and 2014, we had an accrual of \$0.4 million and \$0.5 million for the payment of interest related to unrecognized income tax benefits included in the Consolidated Balance Sheets, respectively. During each of the years ended December 31, 2015 and 2014, we recognized approximately \$0.1 million in interest expense related to our unrecognized income tax benefits. In addition, we reversed less than \$0.1 million and \$0.1 million of accrued interest expense related to our unrecognized income tax benefits for the years ended December 31, 2015 and 2014, respectively. As of December 31, 2015 and 2014, we had total income tax reserves included in "Other long-term liabilities" of \$5.2 million and \$5.5 million, respectively. We record interest expense on unrecognized tax benefits in income tax expense.

A reconciliation of the beginning and end of year unrecognized income tax benefits is as follows (in thousands):

	2015	2014
Balance at beginning of year	\$ 5,203	\$ 5,418
Additions based on tax positions related to the current year	611	1,053
Additions based on tax positions related to prior years	-	3,806
Reductions for tax positions of prior years	(1,053)	(1,162)
Reductions due to expired statute of limitations	-	(609)
Balance at end of year	\$ 4,761	\$ 5,203

It is reasonably possible that approximately \$4.1 million of unrecognized income tax benefits at December 31, 2015, primarily relating to uncertain tax positions attributable to tax return filing positions, may decrease in the next twelve months as a result of estimated settlements with taxing authorities and the expiration of applicable statutes of limitations.

We file income tax returns with the Internal Revenue Service and various state, local and foreign tax agencies. The Company is currently under examination by the Internal Revenue Service and various taxing authorities for the years 2008 through 2014. During the first quarter of 2014, the Internal Revenue Service finalized its audit of our federal income tax returns for the years 2010 through 2013. We agreed to and paid an assessment, for an immaterial amount, proposed by the Internal Revenue Service pursuant to such audit.

The income tax provision in the accompanying Consolidated Statements of Operations for the years ended December 31, 2015, 2014 and 2013 consisted of the following (in thousands):

	2015	2014	2013
Current:			
Federal provision	\$ 84,405	\$ 80,882	\$ 60,409
State and local provisions	21,226	14,532	2,897
Foreign provision	232	2,356	7,083
	106,556	97,780	70,429
Deferred	(10,300)	8,746	11,857
	\$ 96,256	\$ 100,226	\$ 82,286

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES - (Continued)

Factors accounting for the variation from U.S. statutory income tax rates from continuing operations for the years ended December 31, 2015, 2014 and 2013 were as follows (in thousands):

	2015	2014	2013
Federal income taxes at the statutory rate	\$ 97,588	\$ 93,870	\$ 81,343
Noncontrolling interests	(77)	(1,667)	(1,247)
State and local income taxes, net of federal tax benefits	12,590	2,046	3,116
State tax reserves	62	(38)	(6,529)
Permanent differences	3,006	2,951	3,320
Domestic manufacturing deduction	(6,604)	(5,008)	(4,774)
Foreign income tax including UK statutory rate changes	(361)	(1,387)	(516)
Federal tax reserves	14	62	263
Other	(52)	(653)	(1,261)
	<u>\$ 106,256</u>	<u>\$ 103,528</u>	<u>\$ 82,236</u>

The components of the net deferred income tax liability are included in "Prepaid expenses and other" of \$36.0 million, "Other assets" of \$1.3 million, and "Other long-term obligations" of \$167.9 million at December 31, 2015, and the components of net deferred income tax liability are included in "Prepaid expenses and other" of \$29.3 million, "Other assets" of \$16.6 million, and "Other long-term obligations" of \$173.7 million at December 31, 2014 in the accompanying Consolidated Balance Sheets.

The amounts recorded for the years ended December 31, 2015 and 2014 were as follows (in thousands):

	2015	2014
Deferred income tax assets:		
Excess of amounts expensed for financial statement purposes over amounts deducted for income tax purposes		
Insurance liabilities	\$ 76,582	\$ 64,233
Pension liability	6,255	10,142
Deferred compensation	28,033	19,896
Other (including liabilities and reserves)	28,562	31,823
Total deferred income tax assets	<u>129,432</u>	<u>114,094</u>
Valuation allowance for deferred tax assets	(805)	(1,024)
Net deferred income tax assets	<u>128,627</u>	<u>113,070</u>
Deferred income tax liabilities:		
Costs capitalized for financial statement purposes and deducted for income tax purposes		
Goodwill and identifiable intangible assets	(218,715)	(216,126)
Other, primarily depreciation of property, plant and equipment	(22,310)	(23,884)
Total deferred income tax liabilities	<u>(241,025)</u>	<u>(240,010)</u>
Net deferred income tax liabilities	<u>\$ (112,398)</u>	<u>\$ (126,940)</u>

We file a consolidated federal income tax return including all of our U.S. subsidiaries. As of December 31, 2015 and 2014, the total valuation allowance on net deferred income tax assets was approximately \$0.8 million and \$2.0 million, respectively, related to state and local net operating losses. The reason for the net decrease in the valuation allowance for 2015 was related to the utilization of state and local net operating loss carryforwards. Although realization is not assured, we believe it is more likely than not that the deferred income tax assets, net of the valuation allowance discussed above, will be realized. The amount of the deferred income tax asset considered realizable, however, could be reduced if estimates of future income are reduced.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 - INCOME TAXES - (Continued)

At December 31, 2015, we had trading losses for United Kingdom income tax purposes of approximately \$29.4 million, which have no expiration date. Such losses are subject to review by the United Kingdom taxing authority. Realization of the deferred income tax assets is dependent on our generating sufficient taxable income. We believe that the deferred income tax assets will be realized through projected future income.

Income before income taxes from continuing operations for the years ended December 31, 2015, 2014 and 2013 consisted of the following (in thousands):

	2015	2014	2013
United States	\$ 25,167	\$ 263,529	\$ 219,350
Foreign	15,956	18,116	13,409
	\$ 41,123	\$ 281,645	\$ 232,759

As of December 31, 2015, we had undistributed foreign earnings from our United Kingdom subsidiary of approximately \$21.9 million for which we have not recorded a deferred tax liability, as we have provided taxes on a significant portion of such earnings in prior periods and the earnings on which income taxes have not been provided are indefinitely reinvested. As of December 31, 2015, the amount of cash held in the United Kingdom was approximately \$46.5 million which, if repatriated, should not result in any federal or state income taxes. As of December 31, 2015, we had undistributed foreign earnings from our Puerto Rico subsidiary of approximately \$1.4 million for which we have not recorded a deferred tax liability as such earnings are indefinitely reinvested. As of December 31, 2015, the amount of cash held in Puerto Rico was approximately \$3.0 million which, if repatriated, may result in federal and state income taxes of approximately \$0.5 million.

NOTE 12 - COMMON STOCK

As of December 31, 2015 and December 31, 2014, there were 61,067,868 and 62,981,229 shares of our common stock outstanding, respectively.

We have paid quarterly dividends since October 25, 2011. In December 2013, our Board of Directors announced its intention to increase the regular quarterly dividend to \$0.08 per share commencing with the dividend to be paid in the first quarter of 2014. We currently pay a regular quarterly dividend of \$0.08 per share.

On September 26, 2011, our Board of Directors authorized us to repurchase up to \$100.0 million of our outstanding common stock. On December 5, 2013, October 23, 2014 and October 28, 2015, our Board of Directors authorized us to repurchase up to an additional \$100.0 million, \$250.0 million and \$200.0 million of our outstanding common stock, respectively. During 2015, we repurchased approximately 2.3 million shares of our common stock for approximately \$12.3 million. Since the inception of these repurchase programs through December 31, 2015, we have repurchased 9.9 million shares of our common stock for approximately \$195.9 million. As of December 31, 2015, there remained authorization for us to repurchase approximately \$254.1 million of our shares. The repurchase programs do not obligate the Company to acquire any particular amount of common stock and may be suspended, recommenced or discontinued at any time or from time to time without prior notice. Repurchases may be made from time to time to the extent permitted by securities laws and other legal requirements, including provisions in our credit agreement placing limitations on such repurchases. The repurchase programs have been and will be funded from our operations.

NOTE 13 - SHARE-BASED COMPENSATION PLANS

We have an incentive plan under which stock options, stock awards, stock units and other share-based compensation may be granted to officers, non-employee directors and key employees of the Company. Under the terms of this plan, 3,250,000 shares were authorized and 1,849,265 shares are available for grant or issuance as of December 31, 2015. Any issuances under this plan are valued at the fair market value of the common stock on the grant date. The vesting and expiration of any stock option grants and the vesting schedule of any stock awards or stock units are determined by the Compensation and Personnel Committee of our Board of Directors at the time of the grant. Additionally, we have outstanding stock options that were issued under other plans, and no further grants may be made under these plans.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - SHARE-BASED COMPENSATION PLANS - (Continued)

The following table summarizes activity regarding our stock options and awards of shares and stock units since December 31, 2012:

Stock Options			Restricted Stock Units		
	Shares	Weighted Average Price		Shares	Weighted Average Price
Balance, December 31, 2012	1,796,877	\$ 17.12	Balance, December 31, 2012	349,207	\$ 28.52
Granted	—	—	Granted	192,617	\$ 26.26
Expired	—	—	Forfeited	(15,288)	\$ 29.32
Exercised	(485,680)	\$ 14.55	Vested	(155,423)	\$ 27.77
Balance, December 31, 2013	1,310,897	\$ 18.12	Balance, December 31, 2013	300,805	\$ 24.17
Granted	—	—	Granted	176,478	\$ 43.06
Expired	—	—	Forfeited	(800)	\$ 49.35
Exercised	(743,923)	\$ 13.52	Vested	(152,423)	\$ 32.46
Balance, December 31, 2014	566,774	\$ 24.15	Balance, December 31, 2014	330,333	\$ 34.16
Granted	—	—	Granted	241,174	\$ 45.23
Expired	(20,000)	\$ 12.09	Forfeited	(19,587)	\$ 39.53
Exercised	(230,048)	\$ 26.71	Vested	(268,497)	\$ 32.17
Balance, December 31, 2015	306,726	\$ 22.42	Balance, December 31, 2015	605,488	\$ 39.49

We recognized \$8.8 million, \$8.1 million and \$6.9 million of compensation expense for stock units awarded to non-employee directors and employees pursuant to incentive plans for the years ended December 31, 2015, 2014 and 2013, respectively. We have \$6.6 million of compensation expense, net of income taxes, which will be recognized over the remaining vesting periods of up to approximately four years. In addition, an aggregate of 93,399 restricted stock units granted to an employee and our non-employee directors vested as of December 31, 2015, but issuance has been deferred for certain periods up to five years or upon retirement.

All outstanding stock options were fully vested as of December 31, 2012; therefore, no compensation expense was recognized for the years ended December 31, 2015, 2014 and 2013.

As a result of stock option exercises, \$3.8 million, \$6.9 million and \$5.2 million of proceeds were received during the years ended December 31, 2015, 2014 and 2013, respectively. The income tax benefit derived in 2015, 2014 and 2013 as a result of such exercises and share-based compensation was \$1.6 million, \$8.6 million and \$5.2 million, respectively, of which \$1.7 million, \$8.3 million and \$4.6 million, respectively, represented excess tax benefits. The total intrinsic value of options (the amount by which the stock price exceeded the exercise price of the option on the date of exercise) that were exercised during 2015, 2014 and 2013 was \$4.6 million, \$23.5 million and \$12.5 million, respectively.

At December 31, 2015, 2014 and 2013, 206,726 options, 566,774 options and 1,310,897 options were exercisable, respectively. The weighted average exercise price of exercisable options at December 31, 2015, 2014 and 2013 was approximately \$23.42, \$24.15 and \$18.12, respectively. The total aggregate intrinsic value of options outstanding and exercisable as of December 31, 2015, 2014 and 2013 were approximately \$7.6 million, \$11.5 million and \$31.9 million, respectively.

The following table summarizes information about our stock options as of December 31, 2015:

Stock Options Outstanding and Exercisable			
Range of Exercise Prices	Number	Weighted Average Remaining Life	Weighted Average Exercise Price
\$20.42 - \$29.54	110,000	1.41 Years	\$26.43
\$22.52 - \$24.48	140,000	3.31 Years	\$23.92
\$27.39 - \$29.26	56,726	0.54 Years	\$27.96

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - SHARE-BASED COMPENSATION PLANS - (Continued)

We have an employee stock purchase plan. Under the terms of this plan, the maximum number of shares of our common stock that may be purchased is 3,000,000 shares. Generally, our corporate employees and non-union employees of our United States subsidiaries are eligible to participate in this plan. Employees covered by collective bargaining agreements generally are not eligible to participate in this plan.

NOTE 14 - RETIREMENT PLANS

Defined Benefit Plans

Our United Kingdom subsidiary has a defined benefit pension plan covering all eligible employees (the "UK Plan"); however, no individual joining the company after October 31, 2001 may participate in the plan. On May 31, 2010, we curtailed the future accrual of benefits for active employees under this plan.

We account for our UK Plan and other defined benefit plans in accordance with ASC 715, "Compensation-Retirement Benefits" ("ASC 715"). ASC 715 requires that (a) the funded status, which is measured as the difference between the fair value of plan assets and the projected benefit obligations, be recorded in our balance sheet with a corresponding adjustment to accumulated other comprehensive income (loss) and (b) gains and losses for the differences between actuarial assumptions and actual results, and unrecognized service costs, be recognized through accumulated other comprehensive income (loss). These amounts will be subsequently recognized as net periodic pension cost.

The change in benefit obligations and assets of the UK Plan for the years ended December 31, 2015 and 2014 consisted of the following components (in thousands):

	2015	2014
Change in pension benefit obligation		
Benefit obligation at beginning of year	\$ 332,806	\$ 308,877
Interest expense	11,803	14,022
Actuarial (gain) loss	(21,707)	40,906
Benefits paid	(9,644)	(8,013)
Foreign currency exchange rate changes	(17,273)	(21,039)
Benefit obligation at end of year	<u>295,985</u>	<u>332,806</u>
Change in pension plan assets		
Fair value of plan assets at beginning of year	282,005	269,811
Actual return on plan assets	569	24,012
Employer contributions	5,631	6,028
Benefits paid	(9,564)	(9,915)
Foreign currency exchange rate changes	(13,136)	(17,841)
Fair value of plan assets at end of year	<u>261,555</u>	<u>282,005</u>
Funded status at end of year	<u>\$ (34,430)</u>	<u>\$ (50,801)</u>

The actuarial gain in 2015 and actuarial loss in 2014 resulted from fluctuations in corporate bond yields leading to changes in the discount rate assumptions as disclosed below.

Amounts not yet reflected in net periodic pension cost and included in accumulated other comprehensive loss:

	2015	2014
Unrecognized losses	<u>\$ 88,818</u>	<u>\$ 102,673</u>

The underfunded status of the UK Plan of \$32.3 million and \$50.7 million at December 31, 2015 and 2014, respectively, is included in "Other long-term obligations" in the accompanying Consolidated Balance Sheets. No plan assets are expected to be returned to us during the year ended December 31, 2016.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

The weighted average assumptions used to determine benefit obligations as of December 31, 2015 and 2014 were as follows:

	2015	2014
Discount rate	3.3%	3.5%

The weighted average assumptions used to determine net periodic pension cost for the years ended December 31, 2015, 2014 and 2013 were as follows:

	2015	2014	2013
Discount rate	3.3%	3.6%	3.3%
Annual rate of return on plan assets	6.3%	6.7%	6.7%

The annual rate of return on plan assets has been determined by modeling possible returns using the actuary's portfolio return calculator and the fair value of plan assets. This models the long term expected returns of the various asset classes held in the portfolio and allows for the additional benefits of holding a diversified portfolio. For measurement purposes of the liability, the annual rates of inflation of covered pension benefits assumed for each of 2015 and 2014 was 2.0%.

The components of net periodic pension cost of the UK Plan for the years ended December 31, 2015, 2014 and 2013 were as follows (in thousands):

	2015	2014	2013
Interest cost	\$ 11,606	\$ 14,021	\$ 12,325
Expected return on plan assets	(16,161)	(16,888)	(16,369)
Amortization of unrecognized loss	3,530	2,029	2,500
Net periodic pension cost	\$ (2,052)	\$ (852)	\$ 517

Actuarial gains and losses are amortized using a corridor approach whereby cumulative gains and losses in excess of the greater of 10% of the pension benefit obligation or the fair value of plan assets are amortized over the average life expectancy of plan participants. The amortization period for 2015 was 27 years.

The reclassification adjustment, net of income taxes, for the UK Plan from accumulated other comprehensive loss into net periodic pension cost for the years ended December 31, 2015, 2014 and 2013 was approximately \$2.0 million, \$1.6 million and \$2.0 million, respectively, which was classified as a component of "Cost of sales" and "Selling, general and administrative expenses" in the Consolidated Statements of Operations. The estimated unrecognized loss for the UK Plan that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$1.8 million, net of income taxes.

UK Plan Assets

The weighted average asset allocations and weighted average target allocations at December 31, 2015 and 2014 were as follows:

Asset Category	Target Asset Allocation	December 31, 2015	December 31, 2014
Equity securities	45.0%	43.3%	43.2%
Debt securities	55.0%	56.3%	56.6%
Cash	%	0.4%	0.2%
Total	100.0%	100.0%	100.0%

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

Plan assets of our UK Plan are invested in marketable equity and equity like securities through various funds. These funds invest in a diverse range of investments, trading in the United Kingdom, the United States and other international locations, such as Asia Pacific and other European locations. Most securities are invested in funds that invest in UK corporate bonds and UK government bonds.

The following tables set forth by level, within the fair value hierarchy discussed in Note 10 - Fair Value Measurements, the fair value of assets of the UK Plan as of December 31, 2015 and 2014 (in thousands):

Asset Category	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Equity and equity like investments	\$ —	\$ 114,213	\$ —	\$ 114,213
Corporate bonds	—	114,434	—	114,434
Government bonds	—	34,077	—	34,077
Cash	897	—	—	897
Total	\$ 897	\$ 262,724	\$ —	\$ 263,621

Asset Category	Assets at Fair Value as of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Equity and equity like investments	\$ —	\$ 121,739	\$ —	\$ 121,739
Corporate bonds	—	124,380	—	124,380
Government bonds	—	88,219	—	88,219
Cash	657	—	—	657
Total	\$ 657	\$ 234,338	\$ —	\$ 235,095

In regards to the plan assets of our UK Plan, investment amounts have been allocated within the fair value hierarchy across all three levels. The characteristics of the assets that sit within each level are summarized as follows:

Level 1-This asset represents cash.

Level 2-These assets are a combination of the following:

- (a) Assets that are not exchange traded but have a unit price that is based on the net asset value of the fund. The unit prices are not quoted but the underlying assets held by the fund are either:
 - (i) held in a variety of listed investments
 - (ii) held in UK treasury bonds or corporate bonds with the asset value being based on fixed income streams. Some of the underlying bonds are also listed or regulated markets.

It is the value of the underlying assets that have been used to calculate the unit price of the fund.

- (b) Assets that are not exchange traded but have a unit price that is based on the net asset value of the fund. The unit prices are quoted. The underlying assets within these funds comprise cash or assets that are listed on a regulated market (i.e., the values are based on observable market data) and it is these values that are used to calculate the unit price of the fund.

Level 3-Assets that are not exchange traded but have a unit price that is based on the net asset value of the fund. The unit prices are not quoted and are not available on any market.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

The table below sets forth a summary of changes in the fair value of the UK Plan's Level 3 assets for the years ended December 31, 2015 and 2014 (in thousands):

	2015	2014
Equity and Equity Like Investments		
Start of year balance	\$ 1,000	\$ 1,000
Actual return on plan assets, relating to assets still held at reporting date	—	—
Purchases, sales and settlements, net	—	—
Change due to exchange rate changes	—	(307)
End of year balance	\$ 1,000	\$ 693

The investment policies and strategies for the plan assets are established by the plan trustees (who are independent of the Company) to achieve a reasonable balance between risk, likely return and administration expense, as well as to maintain funds at a level to meet minimum funding requirements. In order to ensure that an appropriate investment strategy is in place, an analysis of the UK Plan's assets and liabilities is completed periodically.

Cash Flows:**Contributions**

Our United Kingdom subsidiary expects to contribute approximately \$5.4 million to its UK Plan in 2016.

Estimated Future Benefit Payments

The following estimated benefit payments are expected to be paid in the following years (in thousands):

	Pension Benefits
2016	\$ 0,309
2017	\$ 9,869
2018	\$ 10,000
2019	\$ 11,717
2020	\$ 11,872
Succeeding five years	\$ 65,494

The following table shows certain information for the UK Plan where the accumulated benefit obligation is in excess of plan assets as of December 31, 2015 and 2014 (in thousands):

	2015	2014
Projected benefit obligation	\$ 295,825	\$ 332,806
Accumulated benefit obligation	\$ 295,825	\$ 332,806
Fair value of plan assets	\$ 253,555	\$ 282,095

We also sponsor two U.S. defined benefit plans in which participation by new individuals is frozen. The benefit obligation associated with these plans as of December 31, 2015 and 2014 was approximately \$7.0 million and \$6.7 million, respectively. The estimated fair value of the plan assets as of December 31, 2015 and 2014 was approximately \$4.9 million and \$5.1 million, respectively. The plan assets are considered Level 1 assets within the fair value hierarchy and are predominantly invested in cash, equities, and equity and bond funds. The pension liability balances as of December 31, 2015 and 2014 are classified as "Other long-term obligations" in the accompanying Consolidated Balance Sheets. The measurement date for these two plans is December 31 of each year. The major assumptions used in the actuarial valuations to determine benefit obligations as of December 31, 2015 and 2014 included discount rates of 4.00% and 3.86% for 2015 and 4.50% and 4.30% for 2014. Also, included was an expected rate of return of 7.00% for both 2015 and 2014. The reclassification adjustment, net of income taxes, from accumulated other comprehensive loss into net periodic pension cost for the years ended December 31, 2015, 2014 and 2013 was approximately \$0.2 million, \$0.2 million and \$0.3 million, respectively, which was classified as a component of "Selling, general and administrative expenses" in the Consolidated Statements of Operations. The estimated loss for these plans that will be amortized

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

from accumulated other comprehensive loss into net periodic pension cost over the next year is approximately \$0.2 million, net of income taxes. The future estimated benefit payments expected to be paid from the plans for the next ten years is approximately \$0.4 million per year.

Multiemployer Plans

We participate in over 200 multiemployer pension plans ("MEPPs") that provide retirement benefits to certain union employees in accordance with various collective bargaining agreements ("CBAs"). As one of many participating employers in these MEPPs, we are responsible with the other participating employers for any plan underfunding. Our contributions to a particular MEPP are established by the applicable CBAs; however, our required contributions may increase based on the funded status of an MEPP and legal requirements of the Pension Protection Act of 2004 (the "PPA"), which requires substantially underfunded MEPPs to implement a funding improvement plan ("FIP") or a rehabilitation plan ("RP") to improve their funded status. Factors that could impact the funded status of an MEPP include, without limitation, investment performance, changes in the participant demographics, decline in the number of contributing employers, changes in actuarial assumptions and the utilization of extended amortization provisions.

An FIP or RP requires a particular MEPP to adopt measures to correct its underfunding status. These measures may include, but are not limited to: (a) an increase in our contribution rate as a signatory to the applicable CBA, (b) a reallocation of the contributions already being made by participating employers for various benefits to individuals participating in the MEPP and/or (c) a reduction in the benefits to be paid to future and/or current retirees. In addition, the PPA requires that a 5% surcharge be levied on employer contributions for the first year commencing shortly after the date the employer receives notice that the MEPP is in critical status and a 10% surcharge on each succeeding year until a CBA is in place with terms and conditions consistent with the RP.

We could also be obligated to make payments to MEPPs if we either cease to have an obligation to contribute to the MEPP or significantly reduce our contributions to the MEPP because we reduce our number of employees who are covered by the relevant MEPP for various reasons, including, but not limited to, layoffs or closure of a subsidiary assuming the MEPP has unfunded vested benefits. The amount of such payments (referred to as a complete or partial withdrawal liability) would equal our proportionate share of the MEPP's unfunded vested benefits. We believe that certain of the MEPPs in which we participate may have unfunded vested benefits. Due to uncertainty regarding future factors that could trigger withdrawal liability, as well as the absence of specific information regarding the MEPP's current financial situation, we are unable to determine (a) the amount and timing of any future withdrawal liability, if any, and (b) whether our participation in these MEPPs could have a material adverse impact on our financial position, results of operations or liquidity. We did not record any withdrawal liability for the years ended December 31, 2015 and 2014. We recorded a withdrawal liability of approximately \$0.1 million for the year ended December 31, 2013.

The following table lists all domestic MEPPs to which our contributions exceeded \$2.0 million in 2015. Additionally, this table also lists all domestic MEPPs to which we contributed in 2015 in excess of \$0.5 million for MEPPs in the critical status, "red zone" and \$1.0 million in the endangered status, "orange or yellow zones", as defined by the PPA (in thousands):

Pension Fund	TIN/Pension Plan Number	PPA Zone Status (1)		FIP/RP Status	Cash Flows			Cash flows greater than 5% of total plan contributions (2)	Expiration Date of CBA
		2015	2014		2015	2014	2013		
Aluminum & Fabrication Union Pension Fund	02-0201520001	Yellow	Yellow	Implemented	\$ 12,021	\$ 10,426	\$ 12,869	No	January 2016 to December 2019
Sheet Metal Workers National Pension Fund	02-0112463-051	Yellow	Yellow	Implemented	10,891	9,977	9,476	No	April 2015 to June 2020
Kentland Electrical Benefit Trust	55-0121857-201	Green	Green	N/A	9,213	7,985	7,985	No	February 2016 to September 2020
Federal Employees of the Electrical Industry Pension Trust Account	14-0121601-001	Green	Green	N/A	7,347	6,219	6,137	No	May 2016 to January 2014

EMCOR Group, Inc. and Subsidiaries
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

Pension Fund	FUND/Pension Plan Number	TPA Zone Status U		MIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions 23	Expiration date of CBA
		2015	2014		2015	2014	2013		
Kalene, Inc. (a subsidiary of EMCOR Group, Inc.)	35-6059420-001	Red	Red	Implemented	3,097	3,002	425	No	June 30, 2016
Central Pension Fund of the International Union of Operating Engineers and Participating Employers	56-6052199-001	Green	Green	N/A	6,465	6,518	6,206	No	January 2016 to November 2018
Chicago Local 302 Pension Plan	51-6050733-002	Green	Green	N/A	3,052	3,351	3,112	No	May 2015 to June 2016
Plumbers Pipefitters & Steamfitters Local 392 Pension Plan	31-6055225-001	Red	Red	Implemented	5,554	4,962	4,726	Yes	June 2019
U.S. Local 302 Pension Trust Fund Co. Trust Benefit	94-6058912-002	Green	Green	N/A	4,597	5,555	5,971	Yes	June 2016 to June 2018
U.S. Local 302 Pension Trust Fund Co. Trust Benefit	94-6058912-001	Green	Green	N/A	3,238	3,711	3,883	Yes	June 2016 to June 2018
Northrop California Pipe Trades Pension Plan	54-6190334-001	Green	Green	N/A	3,544	3,270	3,256	Yes	June 2016 to June 2018
Electric Union District 67 Local 302 Pension Plan	33-6100398-001	Green	Green	N/A	3,417	3,092	3,026	Yes	June 2016 to June 2018
Southern California UAW-ELA Pension Trust Fund	25-6192274-001	Orange	Yellow	Implemented	2,894	3,256	3,215	No	May 2016 to November 2017
Electrical Workers Local No. 36 Pension Trust Fund	62-6179195-001	Green	Green	N/A	2,752	2,863	2,855	No	June 2015 to June 2018
U.S. Plumbers Pipefitters & Steamfitters Local 392 Pension Fund	32-6042323-001	Green	Green	N/A	2,457	1,893	1,809	Yes	June 2016
Sheet Metal Workers Pension Plan of Southern California, Arizona & Nevada	55-6052257-001	Red	Red	Implemented	2,310	1,824	1,871	No	June 2016 to June 2020
San Diego Electrical Pension Plan	24-6101801-001	Red	Green	Pending	3,159	1,879	2,102	Yes	September 2016 to May 2020
U.S. Local 39 Defined Benefit Pension Plan	94-1275518-001	Yellow	Yellow	Implemented	1,526	1,505	1,522	No	June 2016 to June 2017
Boilermakers District 10 National Pension Trust	08-6167020-001	Yellow	Yellow	Implemented	1,569	1,777	1,528	No	May 2017 to September 2018
Plumbers & Pipe Fitters Local 218 Pension Fund	74-6042216-001	Red	Red	Implemented	1,269	1,307	1,442	Yes	May 2017
Mechanical Workers Pension Fund	51-6048403-001	Yellow	Yellow	Implemented	1,111	1,123	1,138	No	May 2016

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

Pension Fund	EIN/Pension Plan Number	FICA Zone Status (1)		TIP/RP Status	Contributions			Contributions greater than 5% of total plan contributions (2)	Expiration Date of CBA	
		2015	2014		2015	2014	2013			
ComEtica Local Union No. 420 Pension Plan	25-209421001	Red	Red	Implemented	140	862	81	No	April 2017 to May 2017	
EMCOR Local 300 Pension Plan	04-1427807005	Red	Red	Implemented	335	287	281	No	June 2013 to June 2015	
Franklin & Pipefitters Local 160 Pension Plan	13-0115999 001	Red	Red	Implemented (3)	514	619	770	Yes	May 2019	
					\$ 1,029	\$ 1,770	\$ 1,032			
Total Contributions					\$ 1,479,054	\$ 1,770,291	\$ 1,112,711			

- (1) The zone status represents the most recent available information for the respective MEPP, which may be 2014 or earlier for the 2015 year and 2013 or earlier for the 2014 year.
- (2) This information was obtained from the respective plans' Form 5500 ("Forms") for the most current available filing. These dates may not correspond with our fiscal year contributions. The above noted percentages of contributions are based upon disclosures contained in the plans' Forms. These Forms, among other things, disclose the names of individual participating employees whose annual contributions account for more than 5% of the aggregate annual amount contributed by all participating employers for a past year. Accordingly, if the annual contribution of two or more of our subsidiaries each accounted for less than 5% of such contributions, but in the aggregate accounted for in excess of 5% of such contributions, that greater percentage is not available and accordingly is not disclosed.
- (3) For these respective plans, a funding surcharge was currently in effect for 2015.

The nature and diversity of our business may result in volatility in the amount of our contributions to a particular MEPP for any given period. That is because, in any given market, we could be working on a significant project and/or projects, which could result in an increase in our direct labor force and a corresponding increase in our contributions to the MEPP(s) dictated by the applicable CBA. When that particular project(s) finishes and is not replaced, the number of participants in the MEPP(s) who are employed by us would also decrease, as would our level of contributions to the particular MEPP(s). Additionally, the amount of contributions to a particular MEPP could also be affected by the terms of the CBA, which could require at a particular time, an increase in the contribution rate and/or surcharges. Our contributions to various MEPPs did not increase as a result of acquisitions made since 2013.

We also participate in two MEPPs that are located within the United Kingdom for which we have contributed \$0.2 million, \$0.2 million and \$0.3 million for the years ended December 31, 2015, 2014 and 2013, respectively. The information that we have obtained relating to these plans is not as readily available and/or as comparable as the information that has been ascertained in the United States. Based upon the most recently available information, one of the plans is 100% funded, and the other plan is between 65% and less than 80% funded. A recovery plan has been put in place for the plan that is less than 80% funded, which requires higher contribution amounts to be paid by our UK operations.

Additionally, we contribute to certain multiemployer plans that provide post retirement benefits such as health and welfare benefits and/or defined contribution/annuity plans, among others. Our contributions to these plans approximated \$108.1 million, \$93.3 million and \$93.5 million for the years ended December 31, 2015, 2014 and 2013, respectively. Our contributions to other post retirement benefit plans did not increase as a result of acquisitions made since 2013. The amount of contributions to these plans is also subject for the most part to the factors discussed above in conjunction with the MEPPs.

Defined Contribution Plans

We have defined contribution retirement and savings plans that cover eligible employees in the United States. Contributions to these plans are based on a percentage of the employee's base compensation. The expenses recognized for the years ended December 31, 2015, 2014 and 2013 for these plans were \$26.5 million, \$25.3 million and \$22.6 million, respectively. At our discretion, we may make additional supplemental matching contributions to a defined contribution retirement and savings plan. The expenses recognized related to additional supplemental matching for the years ended December 31, 2015, 2014 and 2013 were \$4.8 million, \$4.3 million and \$4.0 million, respectively.

KMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14 - RETIREMENT PLANS - (Continued)

Our United Kingdom subsidiary has defined contribution retirement plans. The expense recognized for the years ended December 31, 2015, 2014 and 2013 was \$4.0 million, \$4.5 million and \$4.0 million, respectively.

NOTE 15 - COMMITMENTS AND CONTINGENCIES*Commitments*

We lease land, buildings and equipment under various leases. The leases frequently include renewal options and escalation clauses and require us to pay for utilities, taxes, insurances and maintenance expenses.

Future minimum payments, by year and in the aggregate, under capital leases, non-cancelable operating leases and related subleases with initial or remaining terms of one or more years at December 31, 2015, were as follows (in thousands):

	Capital Leases	Operating Leases	Sublease Income
2016	\$ 4,559	\$ 50,010	\$ 558
2017	437	47,670	257
2018	350	46,677	126
2019	1,093	28,199	61
2020	77	21,854	-
Thereafter	-	46,283	-
Total minimum lease payments	\$ 6,516	\$ 209,563	\$ 1,002
Amounts representing interest	(247)	-	-
Future value of net minimum lease payments	\$ 6,269	\$ 209,563	\$ 1,002

Rent expense for operating leases and other rental items, including short-term equipment rentals charged to cost of sales for our construction contracts, for the years ended December 31, 2015, 2014 and 2013 was \$122.0 million, \$118.4 million and \$118.6 million, respectively. Rent expense for the years ended December 31, 2015, 2014 and 2013 was reported net of sublease rental income of \$1.2 million, \$1.3 million and \$1.2 million, respectively.

Contractual Guarantees

We have agreements with our executive officers and certain other key management personnel providing for severance benefits for such employees upon termination of their employment under certain circumstances.

From time to time in the ordinary course of business, we guarantee obligations of our subsidiaries under certain contracts. Generally, we are liable under such an arrangement only if our subsidiary fails to perform its obligations under the contract. Historically, we have not incurred any substantial liabilities as a consequence of these guarantees.

The terms of our construction contracts frequently require that we obtain from surety companies ("Surety Companies") and provide to our customers payment and performance bonds ("Surety Bonds") as a condition to the award of such contracts. The Surety Bonds secure our payment and performance obligations under such contracts, and we have agreed to indemnify the Surety Companies for amounts, if any, paid by them in respect of Surety Bonds issued on our behalf. In addition, at the request of labor unions representing certain of our employees, Surety Bonds are sometimes provided to secure obligations for wages and benefits payable to or for such employees. Public sector contracts require Surety Bonds more frequently than private sector contracts, and accordingly, our bonding requirements typically increase as the amount of public sector work increases. As of December 31, 2015, based on our percentage-of-completion of our projects covered by Surety Bonds, our aggregate estimated exposure, had there been defaults on all our then existing contractual obligations, was approximately \$1.2 billion. The Surety Bonds are issued by Surety Companies in return for premiums, which vary depending on the size and type of bond.

We are subject to regulation with respect to the handling of certain materials used in construction, which are classified as hazardous or toxic by federal, state and local agencies. Our practice is to avoid participation in projects principally involving the remediation or removal of such materials. However, when remediation is required as part of our contract performance, we believe

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES - (Continued)

we comply with all applicable regulations governing the discharge of material into the environment or otherwise relating to the protection of the environment.

At December 31, 2015, we employed approximately 29,000 people, approximately 56% of whom are represented by various unions pursuant to more than 375 collective bargaining agreements between our individual subsidiaries and local unions. We believe that our employee relations are generally good. Only two of these collective bargaining agreements are national or regional in scope.

Restructuring expenses were \$0.8 million, \$1.2 million and \$9.6 million for 2015, 2014 and 2013, respectively. The 2015 restructuring expenses included \$0.9 million of employee severance obligations and a reversal of \$0.1 million relating to the termination of leased facilities. The 2014 restructuring expenses included \$0.6 million of employee severance obligations and \$0.6 million relating to the termination of leased facilities. The 2013 restructuring expenses included \$0.5 million of employee severance obligations and \$0.1 million relating to the termination of leased facilities. As of December 31, 2015, 2014 and 2013, the balance of our restructuring related obligations yet to be paid was \$0.1 million, \$0.3 million and \$0.3 million, respectively. The majority of obligations outstanding as of December 31, 2014 and 2013 were paid during 2015 and 2014, respectively. The obligations outstanding as of December 31, 2015 will be paid during the first half of 2016.

The changes in restructuring activity by reportable segments during the years ended December 31, 2015 and December 31, 2014 were as follows (in thousands):

	United States electrical construction and facilities services segment	United States mechanical construction and facilities services segment	United States building services segment	Corporate Administration	Total
Balance at December 31, 2013	\$ 30	\$ 104	\$ —	\$ —	\$ 134
Charges	638	230	—	300	1,168
Payments	(413)	(206)	—	(200)	(1,019)
Balance at December 31, 2014	255	26	—	—	281
Charges	(108)	8	924	—	824
Payments	(149)	(32)	(543)	—	(1,024)
Balance at December 31, 2015	\$ —	\$ —	\$ 41	\$ —	\$ 41

A summary of restructuring expenses by reportable segments recognized for the year ended December 31, 2015 was as follows (in thousands):

	United States electrical construction and facilities services segment	United States mechanical construction and facilities services segment	United States building services segment	Corporate Administration	Total
Severance	\$ 930	\$ 0	\$ 924	\$ —	\$ 1,854
Leased facilities	(106)	—	—	—	(106)
Total charges	\$ (106)	\$ 0	\$ 924	\$ —	\$ 824

Government Contracts

As a government contractor, we are subject to U.S. government audits and investigations relating to our operations, fines, penalties and compensatory and treble damages, and possible suspension or debarment from doing business with the government. Based on currently available information, we believe the outcome of ongoing government disputes and investigations will not have a material impact on our financial position, results of operations or liquidity.

KMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES - (Continued)*Legal Matters*

One of our subsidiaries was a subcontractor to a mechanical contractor ("Mechanical Contractor") on a construction project where an explosion occurred. An investigation of the matter could not determine who was responsible for the explosion. As a result of the explosion, lawsuits have been commenced against various parties, but, to date, no lawsuits have been commenced against our subsidiary with respect to personal injury or damage to property as a consequence of the explosion. However, the Mechanical Contractor has asserted claims, in the context of an arbitration proceeding against our subsidiary, alleging that our subsidiary is responsible for a portion of the damages for which the Mechanical Contractor may be liable as a result of: (a) personal injury suffered by individuals as a result of the explosion and (b) the Mechanical Contractor's legal fees and associated management costs in defending against any and all such claims. In the most recent filing with the Arbitrator, the Mechanical Contractor has stated claims against our subsidiary for alleged violations of the Connecticut and Massachusetts Unfair and Deceptive Trade Practices Acts in the ongoing arbitration proceeding. Further, the general contractor (as assignee of the Mechanical Contractor) on the construction project, and for whom the Mechanical Contractor worked, has alleged that our subsidiary is responsible for losses asserted by the owner of the project and/or the general contractor because of delays in completion of the project and for damages to the owner's property. We believe, and have been advised by counsel, that we have a number of meritorious defenses to all such matters. We believe that the ultimate outcome of such matters will not have a material adverse effect on our consolidated financial position, results of operations or liquidity. Notwithstanding our assessment of the final impact of this matter, we are not able to estimate with any certainty the amount of loss, if any, which would be associated with an adverse resolution.

One of our subsidiaries, USM, Inc. ("USM"), doing business in California, provides, among other things, janitorial services to its customers by having those services performed by independent janitorial companies. USM and one of its customers, which owns retail stores (the "Customer"), were co-defendants in a federal class action lawsuit brought by six employees of USM's California janitorial subcontractors. The action was commenced on September 5, 2013 in a Superior Court of California and was removed by USM on November 22, 2013 to the United States District Court for the Northern District of California. The employees alleged in their complaint, among other things, that USM and the Customer, during a period that began before our acquisition of USM, violated a California statute that prohibits USM from entering into a contract with a janitorial subcontractor when it knew or should have known that the contract did not include funds sufficient to allow the janitorial subcontractor to comply with all local, state and federal laws or regulations governing the labor or services to be provided. The employees asserted that the amounts USM paid to its janitorial subcontractors were insufficient to allow those janitorial subcontractors to meet their obligations regarding, among other things, wages due for all hours their employees worked, minimum wages, overtime pay and meal and rest breaks. These employees sought to represent not only themselves, but also all other individuals who provided janitorial services at the Customer's stores in California during the relevant four-year time period. We do not believe USM or the Customer violated the California statute or that the employees could have brought the action as a class action on behalf of other employees of janitorial companies with whom USM subcontracted for the provision of janitorial services to the Customer. The plaintiffs sought a declaratory judgment that USM had violated the California statute, monetary damages, including all unpaid wages and interest thereon, restitution for unpaid wages, and an award of attorneys' fees and costs.

USM and its Customer have settled claims asserted in the class action pursuant to the terms of a consent decree approved by the federal judge in the United States District Court for the Northern District of California on February 16, 2016, which followed a determination by the Court of the consent decree's fairness, adequacy and reasonableness. Under the terms of the consent decree, USM will (a) pay an aggregate of \$1.0 million (i) for monetary relief to the members of the class, (ii) for awards to the class representative plaintiffs, (iii) for California Labor Code Private Attorney General Act payments to the State of California for an immaterial amount, and (iv) for all costs of notice and administration of the claims process, (b) pay to counsel for the class an aggregate of \$1.3 million, of which \$0.3 million has been allocated for their reimbursable costs and litigation expenses and \$1.0 million has been allocated for attorneys' fees, and (c) monitor USM's California subcontractors providing janitorial services to its Customer in accordance with agreed upon procedures designed principally to ensure janitorial employees of those subcontractors are paid no less than minimum wage. The settlement amount was accrued for us of December 31, 2014. During 2015, a payment of \$1.0 million was made to a third party claims administrator who was holding the funds pending approval by the Court of the consent decree, and the balance of \$1.3 million was paid in February 2016 after final approval by the Court.

We are involved in several other proceedings in which damages and claims have been asserted against us. Other potential claims may exist that have not yet been asserted against us. We believe that we have a number of valid defenses to such proceedings and claims and intend to vigorously defend ourselves. We do not believe that any such matters will have a material adverse effect on our financial position, results of operations or liquidity. Litigation is subject to many uncertainties and the outcome of litigation is not predictable with assurance. It is possible that some litigation matters for which reserves have not been established could be

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 - COMMITMENTS AND CONTINGENCIES - (Continued)

decided unfavorably to us, and that any such unfavorable decisions could have a material adverse effect on our financial position, results of operations or liquidity.

NOTE 16 - ADDITIONAL CASH FLOW INFORMATION

The following presents information about cash paid for interest, income taxes and other non-cash financing activities for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	2015	2014	2013
Cash paid during the year for:			
Interest	\$ 3,856	\$ 3,431	\$ 40,588
Income taxes	\$ 99,754	\$ 88,277	\$ 104,324
Non-cash financing activities:			
Assets acquired under capital lease obligations	\$ 3,847	\$ 93	\$ 414

NOTE 17 - SEGMENT INFORMATION

We have the following reportable segments: (a) United States electrical construction and facilities services (involving systems for electrical power transmission and distribution; premises electrical and lighting systems; low-voltage systems, such as fire alarm, security and process control; voice and data communication; roadway and transit lighting; and fiber optic lines); (b) United States mechanics' construction and facilities services (involving systems for heating, ventilation, air conditioning, refrigeration and clean-room process ventilation; fire protection; plumbing, process and high-purity piping; controls and filtration; water and wastewater treatment and control plant heating and cooling; cranes and rigging; millwrighting; and steel fabrication, erection and welding); (c) United States building services; (d) United States industrial services; and (e) United Kingdom building services. The "United States building services" and "United Kingdom building services" segments principally consist of those operations which provide a portfolio of services needed to support the operation and maintenance of customers' facilities, including commercial and government site-based operations and maintenance; facility maintenance and services, including reception, security and catering services; outage services to utilities and industrial plants; military base operations support services; mobile maintenance and services; floor care and janitorial services; landsweeping, lot sweeping and snow removal; facilities management; vendor management; call center services; installation and support for building systems; program development, management and maintenance for energy systems; technical consulting and diagnostic services; infrastructure and building projects for federal, state and local governmental agencies and bodies; and small modification and retrofit projects, which services are not generally related to customers' construction programs. The segment "United States industrial services" principally consists of those operations which provide industrial maintenance and services, including those for refineries and petrochemical plants, including on-site repairs, maintenance and service of heat exchangers, towers, vessels and piping; design, manufacturing, repair and hydro blast cleaning of shell and tube heat exchangers and related equipment; refinery turnaround planning and engineering services; specialty welding services; overhaul and maintenance of critical process units in refineries and petrochemical plants, and specialty technical services for refineries and petrochemical plants.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 - SEGMENT INFORMATION - (Continued)

The following tables present information about industry segments and geographic areas for the years ended December 31, 2015, 2014 and 2013 (in thousands):

	2015	2014	2013
Revenues from unrelated entities:			
United States electrical construction and facilities services	\$ 1,307,142	\$ 1,311,988	\$ 1,245,280
United States mechanical construction and facilities services	2,312,763	2,201,212	2,329,834
United States building services	1,219,259	1,221,344	1,292,978
United States industrial services	922,085	839,930	519,413
Total United States operations	<u>6,841,249</u>	<u>6,074,474</u>	<u>5,987,505</u>
United Kingdom building services	377,477	350,444	343,552
Total worldwide operations	<u>\$ 6,718,726</u>	<u>\$ 6,424,918</u>	<u>\$ 6,331,057</u>
Total revenues:			
United States electrical construction and facilities services	\$ 1,378,620	\$ 1,320,347	\$ 1,351,979
United States mechanical construction and facilities services	2,326,683	2,219,886	2,387,072
United States building services	1,793,086	1,782,607	1,889,329
United States industrial services	923,648	842,040	522,417
Less: intersegment revenues	(81,788)	(86,649)	(130,829)
Total United States operations	<u>6,341,249</u>	<u>6,074,521</u>	<u>5,989,975</u>
United Kingdom building services	377,477	350,444	343,552
Total worldwide operations	<u>\$ 6,718,726</u>	<u>\$ 6,424,965</u>	<u>\$ 6,333,527</u>
Operating income (loss):			
United States electrical construction and facilities services	\$ 32,825	\$ 30,953	\$ 30,314
United States mechanical construction and facilities services	158,688	114,418	93,765
United States building services	70,562	67,655	67,225
United States industrial services	56,469	63,159	38,763
Total United States operations	<u>247,914</u>	<u>276,185</u>	<u>230,067</u>
United Kingdom building services	11,534	15,011	13,021
Corporate administration	(61,642)	(68,578)	(69,891)
Restructuring expenses	(824)	(1,168)	(647)
Impairment loss on identifiable intangible assets	—	(1,473)	—
Gain on sale of building	—	11,749	—
Total worldwide operations	<u>237,082</u>	<u>289,878</u>	<u>233,350</u>
Other corporate items:			
Interest expense	(3,932)	(9,075)	(8,769)
Interest income	673	842	1,123
Income from continuing operations before income taxes	<u>\$ 273,823</u>	<u>\$ 281,645</u>	<u>\$ 232,704</u>

EMCOR Group, Inc. and Subsidiaries
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 - SEGMENT INFORMATION - (Continued)

	2015	2014	2013
Capital expenditures:			
United States electrical construction and facilities services	\$ 6,063	\$ 6,887	\$ 6,760
United States mechanical construction and facilities services	5,345	8,631	8,866
United States building services	7,255	10,362	7,539
United States industrial services	11,073	9,199	10,281
Total United States operations	29,736	35,079	33,446
United Kingdom building services	5,208	1,935	1,536
Corporate administration	344	3,050	1,074
Total worldwide operations	\$ 35,460	\$ 38,055	\$ 35,497
Depreciation and amortization of Property, plant and equipment:			
United States electrical construction and facilities services	\$ 2,876	\$ 3,287	\$ 3,640
United States mechanical construction and facilities services	7,624	7,600	7,280
United States building services	9,874	10,560	11,388
United States industrial services	9,625	9,339	8,781
Total United States operations	30,000	30,786	30,089
United Kingdom building services	3,603	3,205	4,477
Corporate administration	928	85	844
Total worldwide operations	\$ 36,294	\$ 36,524	\$ 36,310
Costs and estimated earnings in excess of billings on uncompleted contracts:			
United States electrical construction and facilities services	\$ 39,216	\$ 32,464	\$ 28,288
United States mechanical construction and facilities services	16,220	43,142	38,801
United States building services	20,959	18,583	14,055
United States industrial services	3,358	281	5
Total United States operations	100,653	94,470	80,734
United Kingdom building services	8,081	8,458	7,972
Total worldwide operations	\$ 117,734	\$ 103,201	\$ 90,727
Billings in excess of costs and estimated earnings on uncompleted contracts:			
United States electrical construction and facilities services	\$ 139,857	\$ 134,122	\$ 118,458
United States mechanical construction and facilities services	233,163	199,983	205,974
United States building services	48,876	38,089	30,827
United States industrial services	1,770	1,516	605
Total United States operations	423,666	373,710	356,064
United Kingdom building services	5,269	14,575	25,231
Total worldwide operations	\$ 429,225	\$ 368,555	\$ 381,295

FMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 - SEGMENT INFORMATION - (Continued)

	2015	2014	2013
Long-lived assets:			
United States electrical construction and facilities services	\$ 20,139	\$ 18,702	\$ 10,512
United States mechanical construction and facilities services	296,523	288,161	293,790
United States building services	28,167	302,164	405,298
United States industrial services	730,413	750,101	772,209
Total United States operations	1,425,552	1,449,128	1,581,809
United Kingdom building services	10,927	6,899	8,831
Corporate administration	1,544	2,023	896
Total worldwide operations	\$ 1,438,022	\$ 1,458,050	\$ 1,491,536
Total assets:			
United States electrical construction and facilities services	\$ 379,525	\$ 339,150	\$ 329,232
United States mechanical construction and facilities services	894,366	793,056	795,256
United States building services	321,653	727,082	756,782
United States industrial services	883,338	954,018	940,916
Total United States operations	2,478,882	2,813,306	2,822,186
United Kingdom building services	131,782	130,340	160,828
Corporate administration	540,806	482,321	485,888
Total worldwide operations	\$ 3,151,470	\$ 3,325,967	\$ 3,468,902

The results of our United States mechanical construction and facilities services segment included revenues of \$12.7 million recognized during the fourth quarter of 2015 as a result of the settlement of a claim on an institutional project located in the southeastern United States. Our United Kingdom building services segment recognized income of \$4.8 million during the second quarter of 2014, which has been recorded as a reduction of "Cost of sales" in the Consolidated Statements of Operations for the year ended December 31, 2014, as a result of a reduction in the estimate of certain accrued contract costs that were no longer expected to be incurred within its building services operations. Our corporate administration operating loss for the year ended December 31, 2013 was reduced by the receipt of an insurance recovery of approximately \$2.6 million that was received in January 2013 associated with a previously disposed of operation, which has been classified as a component of "Cost of sales" in the Consolidated Statements of Operations.

EMCOR Group, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 - SELECTED UNAUDITED QUARTERLY INFORMATION

(In thousands, except per share data)

Quarterly and year-to-date computations of per share amounts are made independently; therefore, the sum of per share amounts for the quarters may not equal per share amounts for the year. The results of the construction operations of our United Kingdom segment for all periods are presented as discontinued operations.

	March 31	June 30	Sept. 30	Dec. 31
2015 Quarterly Results				
Revenues	\$ 1,599,197	\$ 1,552,585	\$ 1,599,328	\$ 1,577,826
Gross profit	\$ 216,929	\$ 235,527	\$ 235,402	\$ 252,621
Impairment loss on identifiable intangible assets	\$ —	\$ —	\$ —	\$ —
Gain on sale of building	\$ —	\$ —	\$ —	\$ —
Net income attributable to EMCOR Group, Inc.	\$ 32,849	\$ 40,889	\$ 41,323	\$ 43,066
Basic EPS from continuing operations	\$ 0.53	\$ 0.75	\$ 0.66	\$ 0.81
Basic EPS from discontinued operation	(0.01)	(0.00)	(0.00)	(0.01)
	<u>\$ 0.52</u>	<u>\$ 0.75</u>	<u>\$ 0.66</u>	<u>\$ 0.82</u>
Diluted EPS from continuing operations	\$ 0.52	\$ 0.73	\$ 0.66	\$ 0.80
Diluted EPS from discontinued operation	(0.00)	(0.00)	(0.00)	0.01
	<u>\$ 0.52</u>	<u>\$ 0.73</u>	<u>\$ 0.66</u>	<u>\$ 0.81</u>

	March 31	June 30	Sept. 30	Dec. 31
2014 Quarterly Results				
Revenues	\$ 1,599,539	\$ 1,532,019	\$ 1,566,511	\$ 1,614,798
Gross profit	\$ 216,305	\$ 220,241	\$ 222,229	\$ 248,573
Impairment loss on identifiable intangible assets	\$ —	\$ —	\$ —	\$ 1,471
Gain on sale of building	\$ —	\$ —	\$ 11,749	\$ —
Net income attributable to EMCOR Group, Inc.	\$ 43,261	\$ 59,913	\$ 43,024	\$ 45,466
Basic EPS from continuing operations	\$ 0.64	\$ 0.61	\$ 0.68	\$ 0.67
Basic EPS from discontinued operation	(0.03)	(0.02)	(0.01)	(0.04)
	<u>\$ 0.61</u>	<u>\$ 0.59</u>	<u>\$ 0.67</u>	<u>\$ 0.66</u>
Diluted EPS from continuing operations	\$ 0.64	\$ 0.51	\$ 0.68	\$ 0.68
Diluted EPS from discontinued operation	(0.03)	(0.02)	(0.01)	(0.04)
	<u>\$ 0.61</u>	<u>\$ 0.59</u>	<u>\$ 0.67</u>	<u>\$ 0.65</u>

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of EMCOR Group, Inc. and subsidiaries:

We have audited the accompanying consolidated balance sheets of EMCOR Group, Inc. and subsidiaries as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule listed in the Index at Item 15(e). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of EMCOR Group, Inc. and subsidiaries at December 31, 2015 and 2014, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), EMCOR Group, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) and our report dated February 25, 2016 expressed an unqualified opinion thereon.

Stamford, Connecticut
February 25, 2016

/s/ Ernst & Young LLP

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of EMCOR Group, Inc. and subsidiaries:

We have audited EMCOR Group, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) (the COSO criteria). EMCOR Group, Inc. and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, EMCOR Group, Inc. and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of EMCOR Group, Inc. and subsidiaries as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, equity and cash flows for each of the three years in the period ended December 31, 2015 and our report dated February 25, 2016 expressed an unqualified opinion thereon.

Stamford, Connecticut
February 25, 2016

Deloitte DELOITTE & TOUCHE LLP

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Based on an evaluation of our disclosure controls and procedures (as required by Rules 13a-15(b) of the Securities Exchange Act of 1934), our President and Chief Executive Officer, Anthony J. Guzzi, and our Executive Vice President and Chief Financial Officer, Mark A. Pompa, have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) are effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities and Exchange Act of 1934). Our internal control over financial reporting is a process designed with the participation of our principal executive officer and principal financial officer or persons performing similar functions to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that: (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of assets, (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and Board of Directors and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, our disclosure controls and procedures may not prevent or detect misstatements. A control system, no matter how well conceived and operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2015, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, management has determined that LMCOR's internal control over financial reporting is effective as of December 31, 2015.

The effectiveness of our internal control over financial reporting as of December 31, 2015 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report appearing in this Annual Report on Form 10-K, which such report expressed an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2015.

Changes to Internal Control over Financial Reporting

In addition, our management with the participation of our principal executive officer and principal financial officer or persons performing similar functions has determined that no change to our internal control over financial reporting (as that term is defined in Rules 13(a)-15(f) and 15(d)-15(f) of the Securities Exchange Act of 1934) occurred during the fourth quarter of our fiscal year ended December 31, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item 10 with respect to directors is incorporated herein by reference to the Section of our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders entitled "Election of Directors", which Proxy Statement is to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the end of the fiscal year to which this Form 10-K relates (the "Proxy Statement"). The information required by this Item 10 concerning compliance with Section 16(a) of the Securities Exchange Act of 1934 is incorporated herein by reference to the section of the Proxy Statement entitled "Section 16(a) Beneficial Ownership Reporting Compliance". The information required by this Item 10 concerning the Audit Committee of our Board of Directors and Audit Committee financial experts is incorporated by reference to the section of the Proxy Statement entitled "Meetings and Committees of the Board of Directors" and "Corporate Governance". Information regarding our executive officers is contained in Part I of this Form 10-K following Item 4 under the heading "Executive Officers of the Registrant". We have adopted a Code of Ethics that applies to our Chief Executive Officer and our Senior Financial Officers, which is listed on the Exhibit Index.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the sections of the Proxy Statement entitled "Compensation Discussion and Analysis", "Executive Compensation and Related Information", "Potential Post-Employment Payments", "Director Compensation", "Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report".

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 (other than the information required by Section 201(c) of Regulation S-K, which is set forth in Part II, Item 5 of this Form 10-K) is incorporated herein by reference to the sections of the Proxy Statement entitled "Security Ownership of Certain Beneficial Owners" and "Security Ownership of Management".

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item 13 is incorporated herein by reference to the sections of the Proxy Statement entitled "Compensation Committee Interlocks and Insider Participation" and "Corporate Governance".

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated herein by reference to the section of the Proxy Statement entitled "Ratification of Appointment of Independent Auditors".

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following consolidated financial statements of EMCOR Group, Inc. and Subsidiaries are filed as part of this report under Part II, Item 8, Financial Statements and Supplementary Data:

Financial Statements:

Consolidated Balance Sheets - December 31, 2015 and 2014

Consolidated Statements of Operations - Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements Comprehensive Income - Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements of Cash Flows - Years Ended December 31, 2015, 2014 and 2013

Consolidated Statements of Equity - Years Ended December 31, 2015, 2014 and 2013

Notes to Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm

(a)(2) The following financial statement schedule is included in this Form 10-K report: Schedule II - Valuation and Qualifying Accounts

All other schedules are omitted because they are not required, are inapplicable, or the information is otherwise shown in the consolidated financial statements or notes thereto.

(a)(3) For the list of exhibits, see the Exhibit Index immediately following the signature page hereof, which Exhibit Index is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(c) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 25, 2016

EMCOR GROUP, INC.

(Registrant)

BY: /s/ ANTHONY J. GUZZI
Anthony J. Guzzi
 President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on February 25, 2016.

<u>/s/ ANTHONY J. GUZZI</u> Anthony J. Guzzi	President, Chief Executive Officer and Director (Principal Executive Officer)
<u>/s/ MARK A. POMPA</u> Mark A. Pompa	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)
<u>/s/ STEPHEN W. BERSHAD</u> Stephen W. Bershad	Chairman of the Board of Directors
<u>/s/ JOHN W. ALTMEYER</u> John W. Altmeier	Director
<u>/s/ DAVID A. B. BROWN</u> David A. B. Brown	Director
<u>/s/ LARRY J. BUMP</u> Larry J. Bump	Director
<u>/s/ RICHARD F. HANNA, JR.</u> Richard F. Hanna, Jr.	Director
<u>/s/ DAVID H. LADLEY</u> David H. Ladley	Director
<u>/s/ JERRY E. RYAN</u> Jerry E. Ryan	Director
<u>/s/ STEVEN B. SCHWARZWAELDER</u> Steven B. Schwarzwaelder	Director
<u>/s/ MICHAEL T. YONKER</u> Michael T. Yonker	Director

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Description	Balance at Beginning of Year	Costs and Expenses	Additions Charged to Other (1)	Deductions (2)	Balance at End of Year
Allowance for doubtful accounts					
Year Ended December 31, 2015	\$ 10,424	2,853	-	(2,102)	\$ 11,175
Year Ended December 31, 2014	\$ 11,590	2,915	-	(4,584)	\$ 10,424
Year Ended December 31, 2013	\$ 11,473	3,533	12	(3,123)	\$ 11,895

(1) Amount principally relates to business acquisitions and divestitures, and the effect of exchange rate changes.

(2) Deductions primarily represent uncollectible balances of accounts receivable written off, net of recoveries.

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference or Filed Herein, as Indicated Below
2(a-1)	Purchase Agreement dated as of February 11, 2002 by and among Comfort Systems USA, Inc. and EMCOR-CSI Holding Co.	Exhibit 2.1 to EMCOR Group, Inc.'s ("EMCOR") Report on Form 8-K dated February 14, 2002
2(a-2)	Purchase and Sale Agreement dated as of August 20, 2007 between ERX Ohmstede Holdings LLC and EMCOR Group, Inc.	Exhibit 2.1 to EMCOR's Report on Form 8-K (Date of Report August 20, 2007)
3(a-3)	Purchase and Sale Agreement, dated as of June 17, 2013 by and among Texas Titanium LLC, a Delaware limited liability company, Allair Strickland Group, Inc., a Texas corporation, Rep Holdings LLC, a Texas limited liability company, ASG Key Employee LLC, a Texas limited liability company, Repon Key Employee LLC, a Texas limited liability company, Gulfstar M&I, Ltd., a Texas limited partnership, The Trustee of the James T. Robinson and Dana J. Robinson 2010 Irrevocable Trust, The Trustee of the Steven Rothman 2012 Descendant's Trust, The Co-Trustees of the Paula Strickland 2012 Descendant's Trust, The Co-Trustees of the Carter Strickland 2012 Descendant's Trust, and The Co-Trustees of the Walter 2012 Grandchildren's Trust (collectively, "Sellers") and EMCOR Group, Inc.	Exhibit 2.1 to EMCOR's Report on Form 8-K (Date of Report June 17, 2013)
3(a-1)	Restated Certificate of Incorporation of EMCOR filed December 15, 1994	Exhibit 3(a-5) to EMCOR's Registration Statement on Form 10 as originally filed March 17, 1995 ("Form 10")
3(a-2)	Amendment dated November 28, 1995 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1995 ("1995 Form 10-K")
3(a-3)	Amendment dated February 12, 1998 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-3) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1997 ("1997 Form 10-K")
3(a-4)	Amendment dated January 27, 2006 to the Restated Certificate of Incorporation of EMCOR	Exhibit 3(a-4) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2005 ("2005 Form 10-K")
3(a-5)	Amendment dated September 18, 2007 to the Restated Certificate of Incorporation of EMCOR	Exhibit A to EMCOR's Proxy Statement dated August 17, 2007 for Special Meeting of Stockholders held September 18, 2007
3(b)	Amended and Restated By-Laws	Exhibit 3(b) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 1998 ("1998 Form 10-K")
3(c)	Amendment to Article I, Section 6(c) and Section 6(j) of the Amended and Restated By-Laws	Exhibit 3.1 to EMCOR's Report on Form 8-K (Date of Report December 5, 2013)
4(a)	Fourth Amended and Restated Credit Agreement dated as of November 25, 2013 by and among EMCOR Group, Inc. and a subsidiary and Bank of Montreal, as Agent, and the lenders listed on the signature pages thereof (the "Credit Agreement")	Exhibit 4(a) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2013 ("2013 Form 10-K")
4(b)	Fourth Amended and Restated security Agreement dated as of November 25, 2013 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(b) to 2013 Form 10-K
4(c)	Fourth Amended and Restated Pledge Agreement dated as of November 25, 2013 among EMCOR, certain of its U.S. subsidiaries, and Bank of Montreal, as Agent	Exhibit 4(c) to 2013 Form 10-K
4(d)	Third Amended and Restated Guaranty Agreement dated as of November 25, 2013 by certain of EMCOR's U.S. subsidiaries in favor of Bank of Montreal, as Agent	Exhibit 4(d) to 2013 Form 10-K

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(a)	Form of Severance Agreement ("Severance Agreement") between EMCOR and each of Sheldon I. Cammacker, R. Kevin Matz and Mark A. Pompa	Exhibit 10.1 to the April 2005 Form 8-K
10(b)	Form of Amendment to Severance Agreement between EMCOR and each of Sheldon I. Cammacker, R. Kevin Matz and Mark A. Pompa	Exhibit 10(c) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007 ("March 2007 Form 10-Q")
10(c)	Letter Agreement dated October 12, 2004 between Anthony Guzzi and EMCOR (the "Guzzi Letter Agreement")	Exhibit 10.1 to EMCOR's Report on Form 8-K (Date of Report October 12, 2004)
10(d)	Form of Confidentiality Agreement between Anthony Guzzi and EMCOR	Exhibit C to the Guzzi Letter Agreement
10(e)	Form of Indemnification Agreement between EMCOR and each of its officers and directors	Exhibit F to the Guzzi Letter Agreement
10(f-1)	Severance Agreement ("Guzzi Severance Agreement") dated October 25, 2004 between Anthony Guzzi and EMCOR	Exhibit D to the Guzzi Letter Agreement
10(f-2)	Amendment to Guzzi Severance Agreement	Exhibit 10(g-2) to the March 2007 Form 10-Q
10(g-1)	Continuity Agreement dated as of June 22, 1998 between Sheldon I. Cammacker and EMCOR ("Cammacker Continuity Agreement")	Exhibit 10(c) to the June 1998 Form 10-Q
10(g-2)	Amendment dated as of May 4, 1999 to Cammacker Continuity Agreement	Exhibit 10(j) to the June 1999 Form 10-Q
10(g-3)	Amendment dated as of March 1, 2007 to Cammacker Continuity Agreement	Exhibit 10(iu-3) to the March 2007 Form 10-Q
10(h-1)	Continuity Agreement dated as of June 22, 1998 between R. Kevin Matz and EMCOR ("Matz Continuity Agreement")	Exhibit 10(f) to the June 1998 Form 10-Q
10(i-2)	Amendment dated as of May 4, 1999 to Matz Continuity Agreement	Exhibit 10(iu) to the June 1999 Form 10-Q
10(j-3)	Amendment dated as of January 1, 2002 to Matz Continuity Agreement	Exhibit 10(o-3) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 ("March 2002 Form 10-Q")
10(k-4)	Amendment dated as of March 1, 2007 to Matz Continuity Agreement	Exhibit 10(iu-4) to the March 2007 Form 10-Q
10(l-1)	Continuity Agreement dated as of June 22, 1998 between Mark A. Pompa and EMCOR ("Pompa Continuity Agreement")	Exhibit 10(g) to the June 1998 Form 10-Q
10(l-2)	Amendment dated as of May 4, 1999 to Pompa Continuity Agreement	Exhibit 10(iu) to the June 1999 Form 10-Q
10(l-3)	Amendment dated as of January 1, 2002 to Pompa Continuity Agreement	Exhibit 10(p-3) to the March 2002 Form 10-Q
10(l-4)	Amendment dated as of March 1, 2007 to Pompa Continuity Agreement	Exhibit 10(o-4) to the March 2007 Form 10-Q
10(j-1)	Change of Control Agreement dated as of October 25, 2004 between Anthony Guzzi ("Guzzi") and EMCOR ("Guzzi Continuity Agreement")	Exhibit E to the Guzzi Letter Agreement
10(j-2)	Amendment dated as of March 1, 2007 to Guzzi Continuity Agreement	Exhibit 10(p-2) to the March 2007 Form 10-Q
10(j-3)	Amendment to Continuity Agreements and Severance Agreements with Sheldon I. Cammacker, Anthony J. Guzzi, R. Kevin Matz and Mark A. Pompa	Exhibit 10(c) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2006 ("2006 Form 10-K")

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(k-1)	Amendment dated as of March 29, 2010 to Severance Agreement with Sheldon I. Cammaker, Anthony J. Guzz', R. Kevin Mutz and Mark A. Pompu	Exhibit 10.1 to Form 8-K (Date of Report March 29, 2010) ("March 2010 Form 8-K")
10(k-2)	Third Amendment to Severance Agreement dated June 4, 2015 between EMCOR and Sheldon I. Cammaker	Exhibit 10(k-2) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 ("June 2015 Form 10-Q")
10(l-1)	EMCOR Group, Inc. Long-Term Incentive Plan ("LTIP")	Exhibit 10 to Form 8-K (Date of Report December 15, 2005)
10(l-2)	First Amendment to LTIP and updated Schedule A to LTIP	Exhibit 10(s-2) to 2008 Form 10-K
10(l-3)	Second Amendment to LTIP	Exhibit 10.2 to March 2010 Form 8-K
10(l-4)	Third Amendment to LTIP	Exhibit 10(g-2) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 ("March 2012 Form 10-Q")
10(l-5)	Fourth Amendment to LTIP	Exhibit 10(l-5) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013
10(l-6)	Form of Certificate Representing Stock Units issued under LTIP	Exhibit 10(t-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2007 ("2007 Form 10-K")
10(l-7)	Fifth Amendment to LTIP	Filed herewith
10(l-8)	Sixth Amendment to LTIP	Filed herewith
10(m-1)	2003 Non-Employee Directors' Stock Option Plan	Exhibit A to EMCOR's Proxy Statement for its Annual Meeting held on June 12, 2003 ("2003 Proxy Statement")
10(m-2)	First Amendment to 2003 Non-Employee Directors' Plan	Exhibit 10(a-2) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2006 ("2006 Form 10-K")
10(n)	Key Executive Incentive Bonus Plan, as amended and restated	Exhibit B to EMCOR's Proxy Statement for its Annual Meeting held June 13, 2013
10(o)	Consents on December 15, 2009 to Transfer Stock Options by Non-Employee Directors	Exhibit 10(z) to 2009 Form 10-K
10(p-1)	2007 Incentive Plan	Exhibit B to EMCOR's Proxy Statement for its Annual Meeting held June 20, 2007
10(p-2)	Option Agreement dated December 13, 2007 under 2007 Incentive Plan between Jonny E. Ryan and EMCOR	Exhibit 10(a)(b-2) to 2007 Form 10-K
10(p-3)	Option Agreement dated December 15, 2008 under 2007 Incentive Plan between David Laidley and EMCOR	Exhibit 10.1 to Form 8-K (Date of Report December 15, 2008)
10(p-4)	Form of Option Agreement under 2007 Incentive Plan between EMCOR and each non-employee director electing to receive options as part of annual retainer	Exhibit 10(j)(b-3) to 2007 Form 10-K
10(q-1)	Amended and Restated 2010 Incentive Plan	Exhibit 10(q-1) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010
10(q-2)	Form of Option Agreement under 2010 Incentive Plan between EMCOR and each non-employee director with respect to grant of options upon re-election at June 11, 2010 Annual Meeting of Stockholders	Exhibit 10(f)(i-2) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010
10(q-3)	Form of Option Agreement under 2010 Incentive Plan, as amended, between EMCOR and each non-employee director electing to receive options as part of annual retainer	Exhibit 10(c)(xq) to 2011 Form 10-K

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
10(f)	EMCOR Group, Inc. Employee Stock Purchase Plan	Exhibit C to EMCOR's Proxy Statement for its Annual Meeting held June 18, 2008
10(g)	Form of Restricted Stock Award Agreement dated January 3, 2012 between EMCOR and each of Larry J. Bump, Albert Fried, Jr., Richard F. Hanam, Jr., David H. Laidley, Frank T. Machinis, Jerry E. Ryan and Michael T. Yonker	Exhibit 10(m)(n) to 2011 Form 10-K
10(l-1)	Director Award Program Adopted May 13, 2011, as amended and restated December 14, 2011	Exhibit 10(p)(r) to 2011 Form 10-K
10(l-2)	Form of Amended and Restated Restricted Stock Award Agreement dated December 14, 2011 amending and restating restricted stock award agreement dated June 1, 2011 under Director Award Program with each of Stephen W. Bershad, David A.R. Brown, Larry J. Bump, Albert Fried, Jr., Richard F. Hanam, Jr., David H. Laidley, Jerry E. Ryan and Michael T. Yonker	Exhibit 10(o)(s) to 2011 Form 10-K
10(u)	Restricted Stock Unit Agreement dated May 9, 2011 between EMCOR and Anthony J. Guzzi	Exhibit 10(v)(u) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011
10(v)	Amendment to Option Agreements	Exhibit 10(p)(t) to 2011 Form 10-K
10(w)	Form of Restricted Stock Unit Agreement dated March 1, 2012 between EMCOR and each of Sheldon I. Camruker, R. Kevin Muz and Mark A. Poinpa	Exhibit 10(e)(n) to the March 31, 2012 Form 10-Q
10(x)	Form of Non-ITP Stock Unit Certificate	Exhibit 10(p)(j) to the March 31, 2012 Form 10-Q
10(y)	Form of Director Restricted Stock Unit Agreement	Exhibit 10(k)(k) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 ("June 2012 Form 10-Q")
10(z)	Director Award Program, as Amended and Restated December 18, 2014	Exhibit 10(z) to EMCOR's Annual Report on Form 10-K for the year ended December 31, 2014
10(a)(e)	EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(e)(e) to 2012 Form 10-K
10(a)(f)	First Amendment to EMCOR Group, Inc. Voluntary Deferral Plan	Exhibit 10(e)(e) to 2013 Form 10-K
10(c)(c)	Form of Executive Restricted Stock Unit Agreement	Exhibit 10(f)(f) to 2012 Form 10-K
10(d)(d)	Restricted Stock Unit Award Agreement dated October 23, 2013 between EMCOR and Stephen W. Bershad	Exhibit 10(g)(g) to 2013 Form 10-K
10(e)(e)	Restricted Stock Unit Award Agreement dated June 11, 2014 between EMCOR and Stephen W. Bershad	Exhibit 10(g)(g) to EMCOR's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014
10(f)(f)	Restricted Stock Unit Award Agreement dated June 11, 2015 between EMCOR and Stephen W. Bershad	Exhibit 10(f)(f) to the June 2015 Form 10-Q
10(g)(g)	Restricted Stock Unit Award Agreement dated October 29, 2015 between EMCOR and Steven B. Schwarzwalder	Exhibit 10.1 to Form 8-K (Date of Report October 30, 2015)
10(i)(h)	Executive Compensation Recoupment Policy	Filed herewith
11	Computation of Basic EPS and Diluted EPS for the years ended December 31, 2015 and 2014	Note 5 of the Notes to the Consolidated Financial Statements
14	Code of Ethics of EMCOR for Chief Executive Officer and Senior Financial Officers	Exhibit 14 to 2003 Form 10-K
21	List of Significant Subsidiaries	Filed herewith
23.1	Consent of Ernst & Young LLP	Filed herewith

EXHIBIT INDEX

Exhibit No.	Description	Incorporated By Reference to or Filed Herewith, as Indicated Below
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Anthony J. Grzyl, the President and Chief Executive Officer	Filed here with
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Mark A. Porpa, the Executive Vice President and Chief Financial Officer	Filed here with
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the President and Chief Executive Officer	Furnished
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by the Executive Vice President and Chief Financial Officer	Furnished
95	Information concerning mine safety violations or other regulatory matters	Filed here with
101	The following materials from BMCOR Group, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2015, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Equity and (vi) the Notes to Consolidated Financial Statements.	Filed

Pursuant to Item 601(b)(4)(ii) of Regulation S-K, upon request of the Securities and Exchange Commission, the Registrant hereby undertakes to furnish a copy of any unfiled instrument which defines the rights of holders of long-term debt of the Registrant's subsidiaries.

**FIFTH AMENDMENT
TO THE
LONG TERM INCENTIVE PLAN
OF EMCOR GROUP, INC.**

WHEREAS, the EMCOR Group, Inc. Long Term Incentive Plan was adopted in 2005 and has since been amended (the aforesaid plan, as amended, the LTIP);

WHEREAS, Section 8.1 of the LTIP provided that the Board of Directors of EMCOR Group, Inc. (the "Board") may amend the LTIP, subject to the terms of Section 8.1; and

WHEREAS, the Board has determined that the LTIP shall be further amended as provide below;

NOW, THEREFORE, the Long Term Incentive Plan is hereby amended as follows:

1. Section 2 is hereby amended to add the following paragraph to the definition of Earnings Per Share:

"Earnings Per Share" for a Three Year Applicable Period commencing on or after January 1, 2015 shall mean the aggregate of the diluted earnings per share of the Company's Common Stock for each of such three years, as reported in the Company's "Consolidated Statements of Operations" for such years in accordance with generally accepted accounting principles; provided, however, that in computing net income to arrive at any such year's earnings per share there shall be excluded from the calculation of such net income (a) non-cash charges associated with the write-down of balance sheet values of assets, (b) investment banking, consulting, legal, and accounting fees and related disbursements directly associated with any proposed or consummated (i) acquisition or investment or (ii) sale or disposition of Company assets or securities, (c) the effect of any changes in statutory tax rates from those in effect on March 29, 2010, (d) restructuring charges due to sale or closure of a subsidiary's business, (e) the cumulative effect of any change in accounting principles, (f) charges associated with withdrawal liabilities relating to multi-employer pension plans and lump sum type surcharges (as opposed to increases in hourly contribution rates) assessed by multi-employer pension plans, to eliminate underfunding in their respective plans and (g) income or loss from discontinued operations; and provided further, however, that the Compensation Committee may, within the first 90 days of a Three Year Applicable Period, adjust any such period's Earnings Per Share, to the extent permitted under Section 162(m) of the Code, to omit the impact on such Earnings Per Share of extraordinary items, gains or losses on the acquisition or disposal of a business, and/or unusual or infrequently occurring events and transactions."

2. Except as hereinabove amended, the LTIP, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the 5th day of March 2015.

EMCOR GROUP, INC.

By: Isaiah Anthony J. Givoda
President and Chief Executive Officer

**SIXTH AMENDMENT
TO THE
LONG TERM INCENTIVE PLAN
OF EMCOR GROUP, INC.**

WHEREAS, the EMCOR Group, Inc. Long Term Incentive Plan was adopted in 2005 and has since been amended (the aforesaid plan, as amended, the "LTIP");

WHEREAS, Section 8.1 of the LTIP provides that the Board of Directors of EMCOR Group, Inc. (the "Board") may amend the LTIP, subject to the terms of Section 8.1; and

WHEREAS, the Board has determined that the LTIP should be further amended as provided below;

NOW, THEREFORE, the LTIP is hereby amended as follows:

1. Effective January 1, 2016 new Section 9.14 is added to read as follows:

"9.14. Recoupment of Awards. All Performance Based Target Bonus awards, that may be granted with respect to Applicable Three Year Periods commencing on or after January 1, 2016, whether or not vested, will be subject to the Company's Executive Compensation Recoupment Policy, as such policy may be amended and in effect from time to time (the "Clawback Policy"). By participating in the Plan, including by receiving any award benefit or payment under the Plan, a Participant will be deemed to have agreed to comply promptly and in full with all terms and conditions of the Clawback Policy with respect to such award."

2. Except as hereinabove amended, the LTIP, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the 1st day of January 2016.

EMCOR GROUP, INC.

By: /s/ Anthony J. Guzzi
President and Chief Executive Officer

EMCOR Group, Inc.

EXECUTIVE COMPENSATION RECOVERY POLICY

The Board of Directors (the "Board") of EMCOR Group Inc. (the "Company") has adopted the following policy on the recoupment of executive compensation (the "policy"). References to the Board herein shall include any committee of the Board that has been delegated authority by the Board to administer and enforce this policy in accordance with its terms.

In the event that the Company is required to prepare an accounting restatement to correct an error that is material to its previously issued financial statements under the securities laws, with respect to any cash or equity-based bonus or other cash or equity-based incentive compensation that was granted, earned or became vested based wholly or in part upon the attainment of any financial reporting measure ("incentive-based compensation") during the three completed fiscal years immediately preceding the "required financial restatement date," the Board must seek reimbursement of the amount (computed without regard to any taxes paid) of any such incentive-based compensation awarded or paid to an Executive or effect the cancellation of unvested and vested equity awards previously granted to an Executive, if and to the extent the amount of such incentive-based compensation would have been lower had the level of achievement of the applicable financial reporting measure been calculated based on such restated financial results, unless the Board, or a duly authorized committee, thereof determines, after a reasonable attempt to recover such amount, that it would be impracticable to seek such recovery as a result of the imposition of undue costs on the Company or its shareholders or it would violate non-U.S. law.

The Board will seek the full amount of a recovery under this policy from an affected Executive, absent a determination by the Board in its sole discretion that such recovery would be impracticable. However, the Board has discretion to determine the form and timing of any such recovery, provided that such recovery is accomplished in a reasonably prompt manner. The Board will take such steps as it deems necessary in its sole discretion to ensure that all Executives subject to the policy agree to abide by its terms.

For purposes of this policy, the "required financial restatement date" is the earlier to occur of the date when the Board concludes, or reasonably should have concluded, that the Company's financial statements contained a material error or the date when a court, regulator or other legally authorized body directs the Company to issue a restatement to correct such a material error. For the avoidance of doubt, an Executive will be deemed to have received incentive-based compensation in the fiscal year when the financial reporting measure that is applicable, in whole or in part, to the incentive-based compensation award is obtained, even if the Executive remains subject to additional payment conditions with respect to such award.

If the achievement of a certain financial reporting measure was considered in determining the incentive-based compensation awarded or paid to an Executive, but the incentive-based compensation was not awarded or paid on a formulaic basis such that the amount of any erroneously awarded incentive-based compensation cannot be determined directly from the information in the accounting restatement, the Board will determine in its sole discretion the recoverable amount based on its reasonable estimate of the effect of the financial restatement.

For purposes of this policy, an "Executive" shall mean any current or former employee who is, or was, an "officer" of the Company for purposes of Section 16 of the Securities and Exchange Act of 1934, as amended, at any time during the performance period applicable to the incentive-based compensation at issue.

The remedies under this policy are in addition to, and not in lieu of, any legal and equitable claims the Company may have or any actions that may be imposed by law enforcement agencies, regulators or other authorities. This policy will be administered in a manner that complies with applicable law and securities exchange listing requirements. The Company may adopt additional recoupment provisions in the future or amend existing requirements as required by law or regulation. Subject to the foregoing, the Board shall have the discretionary authority to make all determinations under this policy, including the authority to construe and apply all relevant terms, and may amend this policy at any time.

Date: December 15, 2015

SEE NOTE 5 TO THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS FOR INFORMATION RELATING TO THE CALCULATION OF BASIC EPS AND DILUTED EPS.

LIST OF SIGNIFICANT SUBSIDIARIES

Dyn Specialty Contracting, Inc.
MBS Holdings Corporation
EMCOR Construction Services, Inc.
EMCOR International, Inc.
EMCOR Mechanical/Electrical Services (Harc), Ltd.
EMCOR (UK) Limited
EMCOR Group (UK) plc
EMCOR Facilities Services, Inc.
EMCOR-CNI Holding Co.
FR X Obnstede Acquisitions Co.
Repton Strickland, Inc.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 No. 333-168503) pertaining to the 2010 Incentive Plan of EMCOR Group, Inc.,
- (2) Registration Statement (Form S-8 No. 333-152764) pertaining to the EMCOR Group, Inc. Employee Stock Purchase Plan,
- (3) Registration Statement (Form S-8 No. 333-147015) pertaining to the 2007 Incentive Plan of EMCOR Group, Inc.,
- (4) Registration Statement (Form S-8 No. 333-112946) pertaining to the EMCOR Group, Inc. Stock Option Agreements dated as of January 4, 1999, May 5, 1999, January 3, 2000, January 2, 2001, December 14, 2001, January 2, 2002, June 19, 2002, October 25, 2002, January 2, 2003, February 27, 2003, and January 2, 2004, the EMCOR Group, Inc. 2003 Non-Employee Directors' Stock Option Plan and the EMCOR Group, Inc. 2003 Management Stock Incentive Plan, and
- (5) Registration Statement (Form S-8 No. 333-146926) pertaining to the EMCOR Group, Inc. Voluntary Deferral Plan;

of our reports dated February 25, 2016, with respect to the consolidated financial statements and schedule of EMCOR Group, Inc. and subsidiaries, and the effectiveness of internal control over financial reporting of EMCOR Group, Inc. and subsidiaries, included in the Annual Report (Form 10-K) of EMCOR Group Inc. for the year ended December 31, 2015.

Stamford, Connecticut
February 25, 2016

/s/ Ernst & Young LLP

CERTIFICATION

I, Anthony J. Guzzi, certify that:

1. I have reviewed this annual report on Form 10-K of IMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2016

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
President and
Chief Executive Officer

CERTIFICATION

I, Mark A. Pompa, certify that:

1. I have reviewed this annual report on Form 10-K of EMCOR Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2016

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President
and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of EMCOR Group, Inc. (the "Company") on Form 10-K for the period ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anthony J. Guzzi, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2016

/s/ ANTHONY J. GUZZI

Anthony J. Guzzi
President and
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of EMCOR Group, Inc. (the "Company") on Form 10-K for the period ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark A. Pompa, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2016

/s/ MARK A. POMPA

Mark A. Pompa
Executive Vice President
and Chief Financial Officer

MINE SAFETY DISCLOSURES

During the reporting period covered by this report, our subsidiary MOR-PPM, Inc. ("PPM") received one significant and substantial citation from the Mine Safety and Health Administration ("MSHA") for work performed at Unimin Corporation's Tunnel City Mine in Tomah, WI. The citation was subsequently terminated by MSHA. The total civil penalty assessed by MSHA related to PPM's work at the Tunnel City Mine for this reporting period was \$1,788.00. PPM has no other disclosures to report under section 1503 for the Tunnel City Mine for the period covered by this report.

On December 1, 2015, PPM received an imminent danger order dated November 30, 2015 issued by MSHA under Section 107(a) of the Federal Mine Safety and Health Act of 1977 for work performed at the Blair Plant in Trempealeau County, Wisconsin. The order was terminated within minutes of it being issued and no employees or equipment were injured or damaged. No civil penalty has been assessed. PPM has no other disclosures to report under section 1503 for the Blair Plant for the period covered by this report.

During the reporting period covered by this report, PPM received two citations from MSHA for work performed at the H-Crush Wyeville Mine in Wyeville, Wisconsin. The order was subsequently terminated by MSHA. The total civil penalty assessed by MSHA related to PPM's work at the Wyeville Mine for this reporting period was \$227.00. PPM has no other disclosures to report under section 1503 for the Wyeville Mine for the period covered by this report.

During the reporting period covered by this report, our subsidiary Southern Industrial Constructors, Inc. ("SIC") received a single proposed civil penalty assessment of \$100.00 from MSHA related to work performed at 3M Corporation's Pittsboro Plant in Morencie, NC. The citation was subsequently terminated by MSHA. SIC has no other disclosures to report under section 1503 for the Pittsboro Plant for the period covered by this report.

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NOTICE OF AWARD

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**COUNTY OF NASSAU
DEPARTMENT OF PUBLIC WORKS**
1194 PROSPECT AVENUE
WESTBURY, NEW YORK 11590-2723

NOTICE OF AWARD

June 13, 2016

Joseph P. Florio, President
Welsbach Electric Corp. of L.I.
300 Newtown Road
Plainview, New York 11803

Dear Mr. Florio:

As a result of bids received on March 22, 2016, for work to be done under:
CONTRACT NO: H62000-03F
TITLED: Nassau County Traffic Signal System Operations
Phase IV-PIN 0760.81

You are hereby notified that you are awarded the contract by the County of Nassau, as the lowest responsible bidder, based on your total bid of \$ 2,448,500.00 as per Nassau County Resolution Number 158-2016 and the County Executive's subsequent approval of the contract. Under the terms of the contract documents, you are required to submit the following at the execution of the contract:

1. Insurance and Performance and Labor and Material Bonds:

You must submit to the County of Nassau, Department of Public Works, on or before the date of the signing of the contract, two (2) copies of insurance policies, or certificates thereof, and two (2) copies of Performance and Labor and Material Bonds, in the proper form as provided in the contract documents, and a check for Five Hundred Thirty-Three Dollars (\$533.00) made payable to the County of Nassau for a processing fee. Two (2) copies of Performance and Labor and Material Bonds are to be executed and dated on or before the same day that the contract is to be executed.

2. Signing and Execution of the Contract:

Notice is hereby given that you, your partners, or corporate officers with corporate seal, as the case may be, must be at the Department of Public Works office, 1194 Prospect Avenue, Westbury, New York, to sign and execute the contract **no later than 10:30 A.M. on Friday, June 17, 2016.** Your attention is called to the provision in the Instruction to Bidders which provides for forfeiture of bidder's deposit upon failure to comply with the provisions therein for submitting proper Insurances, Performance and Labor and Material Bonds, and the execution of this contract. You are hereby notified that before any materials can be used in the performance of this contract, they must be officially accepted by the Department of Public Works.

Your particular attention is called to the laws and terms of the contract governing employees, limitation of working hours, and minimum and prevailing rates of pay for employees. In addition, payment of wages must be made in cash unless approval to pay otherwise is granted by the State Industrial Commissioner. No subcontractors or suppliers will be permitted unless they are officially registered and approved, in writing, by the County of Nassau.

Very truly yours,

Shila Shah-Gavnoudias, P.E.
Commissioner of Public Works

SSG:RM:KGA:ac

c: Rakhal Maitra, Deputy Commissioner of Public Works
Kenneth G. Arnold, Assistant to Commissioner of Public Works
Sheila Dukacz, Traffic Engineer II
Loretta Dionisio, Hydrogeologist II



AGREEMENT

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COUNTY OF NASSAU
STATE OF NEW YORK
Department of Public Works
AGREEMENT

For furnishing all labor, materials and equipment, together with all work incidental thereto, necessary and required for the contract entitled:

SIGNAL SYSTEM OPERATIONS PHASE 4
PIN 0760.81
VARIOUS ROADWAYS
NASSAU COUNTY, NEW YORK

Contract No. H6200003E

THIS AGREEMENT,

made and executed this _____ day of _____, 20____,
by and between the County of Nassau, hereinafter called the party of the
first part, and

the Contractor, hereinafter called the party of the second part.

WITNESSETH:

In consideration of the mutual stipulations, agreements and covenants herein contained, the parties hereto have agreed with each other, the party of the first part, for itself, its successors and assigns, and the party of the second part, for itself or themselves, its successors and assigns, or its or their executors, administrators and assigns, as follows:

ARTICLE I. GENERAL

- A. The Contractor shall do all the work and furnish all labor, materials, equipment, tools and appliances, except as hereinafter otherwise stated, that may be necessary and proper for performing and completing the work.
- B. The Contractor further agrees that he is fully informed regarding all of the conditions affecting the work to be done and labor and materials to be furnished for the completion of this contract and that his information was secured by personal investigation and research and not from the estimates of the Commissioner of Public Works, and that he will make no claim against the County by reason of estimates, tests or representations of any officer or agent of the County.

Agree H&GE

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ARTICLE II. DEFINITIONS

Whenever the following words appear in this Contract and Specifications hereto attached:

COUNTY:

The word "County" or pronoun used in place thereof shall mean the County of Nassau as above mentioned, represented by its County Executive, party of the first part.

CONTRACTOR:

The word "Contractor" or pronoun used in place thereof shall mean: the party of the second part of this Agreement, and shall apply thereto regardless of number or gender.

ENGINEER:

The word "Engineer" or pronoun used in place thereof shall mean the Commissioner of Public Works, acting directly or through authorized agent or agents.

HE, HIM, HIMSELF: The word "he" shall mean "he or she", "him" shall mean "him" or "her", "himself" shall mean "himself" or "herself" wherever appropriate throughout the Contract.

NOTICE:

NOTICE:

The word "Notice" shall mean written notice. Notice shall be served upon the Contractor, either personally or by leaving the said notice at his residence or with his agent in charge of the work, or with any employee found on the work, or addressed to the Contractor at the residence or place of business given in the bid and deposited in post paid wrapper in any Post Office Box regularly maintained by the United States Post Office.

SPECIFICATIONS:

The word "Specifications" shall mean all of the directions, conditions, requirements and standards of performance applying to the work as hereinafter detailed and designated as such and this project uses NYSDOT standard specifications of 2008 with approved updates.

ARTICLE III. SPECIAL CONDITIONS

The said work shall be performed in accordance with the true intent and meaning of the 2008 NY State Standard Specifications, therefore which, together with the Proposal, Notice to Bidders, Instruction to Bidders, Notice of Award and the Bond, are hereby referred to and made a

Agree H&GE

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part of this Contract, without any further expense of any nature whatsoever to the County than the consideration named in this Contract. The County, however, reserves the right to make such additions, deductions or changes, as it deems necessary, making an addition or deduction therefore at the prices named in the proposal for this work; and this Contract shall in no way be invalidated thereby, and no claim shall be made by the Contractor for any loss of anticipated profits because of any such change, or by reason of any variation between the approximate quantities and the quantities of the work as done.

ARTICLE IV. EXTRA WORK

It is further agreed that any material to be furnished or work necessary to be done other than that specified in this Contract shall be covered by a supplemental contract or resolution and that no claim will be made by the Contractor for any such work performed or material furnished before such supplemental contract shall have been approved or passed by the County Executive. Notification will be made to NYSDOT Construction prior to the start of any added or extra work. Work shall conform to the latest NYS Standard Specifications (2008) Sec 109-C5. Refer to section 104 Scope of Work for any changes, contingencies, extra work or deductions on the project.

ARTICLE V. DETERMINATION AND DECISIONS

The work under this Contract shall be done to the satisfaction of the County Executive and Commissioner of Public Works, and in full accordance with the Plans and Specifications or any amendments or additions thereto, and before final acceptance by the County Executive all matters of dispute must be adjusted to the mutual satisfaction of the parties hereto. Determinations and Decisions, in case any question shall arise, shall constitute a condition precedent to the right of the Contractor to receive any money thereof, until the matter in question has been adjusted.

Article VI. County's Right and Notice IT IS MUTUALLY AGREED THAT,

1. if the Contractor fails to begin work when notified to do so by the Commissioner; or
2. if the Contractor becomes insolvent or,
3. if a petition of bankruptcy is filed by or against the Contractor, or
4. if the work to be done under this Contract shall be abandoned or,
5. if this Contract or any part thereof shall be sublet without the consent of the Commissioner of Public Works being first obtained in writing or,
6. if this Contract or any right, monies or claim thereunder shall be assigned by the Contractor otherwise than as herein specified, or,
7. if, at any time, the Commissioner shall be of the opinion that the conditions herein specified as to the rate of progress are not fulfilled or,
8. that the work or any part thereof is unnecessarily or unreasonably

Agree H&GE

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- delayed, or,
9. that the Contractor is not or has not been executing the Contract in good faith or,
 10. that the Contractor is violating any of the provisions of this Contract; the Commissioner, with the approval of the County Executive and without prejudice to any other rights or remedy of the County, shall have the right to declare the Contractor in default and so notify the Contractor by a written notice, setting forth the ground or grounds upon which such default is declared and that the Contractor shall discontinue the work, either as to a portion of the same or the whole thereof.

Article VII. Contractor's Duty

Upon receipt of the notice provided in Article VI, above, the Contractor shall immediately discontinue all further operations on the work or such part thereof; and shall immediately quit the site or such part thereof, leaving untouched all plant, materials, equipment, tools and supplies.

Article VIII. Completion of the Work

1. The Commissioner, after declaring the Contractor in default as provided in Article VI above, may then have the work completed by such means and in such manner, by contract with or without public letting, or otherwise, as he may deem advisable, utilizing for such purpose such of the Contractor's plant, materials, equipment, tools and supplies remaining on the site, as well as such subcontractors, as he may deem advisable.
2. The expense of such completion, including the cost of reletting, shall be deducted and paid by the County out of the monies due or to become due to the Contractor under this Contract, or any part thereof; and in case such expense is more than the sum remaining unpaid of the original Contract price, the Contractor and his sureties shall pay the amount of such deficiency to the County of Nassau.

ARTICLE IX. MACHINERY AND PLANT

The Contractor shall furnish at his own cost all transportation, apparatus, ways, works, machinery, and plant, and also suitable appliances requisite for the execution of this Contract, and shall be solely answerable for the same, and for the safe, proper and lawful construction, maintenance and use thereof. The Contractor shall cover and protect the work from damage, and all injury to the same before completion of this Contract and its acceptance by the County Executive shall be made good by the Contractor who shall be solely answerable for all damages to the County, to the neighboring premises, or to any private or personal property due to improper, illegal or negligent conduct of himself or his subcontractor, employees or agents in or about the said work, or in the execution of the work covered by this Contract or any extra work undertaken, as hereinafter provided, or to any defect

Agree H&GE

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in or improper use of scaffolding, apparatus, ways, works, machinery and plant. He shall assume the defense and save harmless the County, it's officers or agents from all claims whatsoever relating to labor or materials furnished for the work, or to inventions, patents or patent rights used in the work or in doing the work.

ARTICLE X. PATENTED DEVICE, MATERIAL AND PROCESSES

It is mutually understood and agreed that contract prices are to include all royalties and costs arising from patents, trademarks and copyrights in any way involved in the work. Whenever the Contractor is required or desires to use any design, device, material or process covered by letters patent or copyright, the Contractor shall indemnify and save harmless the County of Nassau from any and all claims for infringement by reason of the use of any such patented design, device, material or process, to be performed under the Contract and shall indemnify the said County for any costs, expenses and damages which it may be obliged to pay, by reason of any such infringement, at any time during the prosecution or after the completion of the work. The NYSDOT Materials Inspection Manual (MIRK Part 2-A), as well as the Materials Approved List are two important references to utilize in order to determine if materials are acceptable on the contract. Also make sure the contractor submits applicable Materials Certifications, including 'Buy America' certifications for all steel items, if any, on the project

ARTICLE XI. RESPONSIBILITY FOR INJURIES TO PERSONS AND PROPERTY.

- A. The Contractor shall be solely responsible for physical injuries (including death) to persons (including, but not limited to, employees of the Contractor and subcontractors and employees of the County of Nassau) or damage to property (including, but not limited to, property of the County of Nassau or the Contractor or subcontractors) occurring on account of or in connection with the performance of the work hereunder or sustained by any employee of the Contractor, a subcontractor, County of Nassau or other persons while at the site of the work, and shall indemnify and save harmless the County of Nassau from loss and liability upon any and all claims on account of such injuries to persons (including death) or damage to property, and from all costs and expenses in suits which may be brought against the County of Nassau on account of any such injuries to persons or damage to property, irrespective of the actual cause of the accident and irrespective of whether it shall have been due to negligence of the Contractor or his subcontractors or negligence of the County of Nassau, their respective agents, servants or employees.
- B. The term "loss and liability", as used herein, shall be deemed to include, but not to be limited to, liability for the payment of Worker's Compensation under the Worker's Compensation Law of the State of New York, and the Contractor specifically covenants to reimburse the County of Nassau for all payments of Worker's Compensation which the County of Nassau shall be required to make to any employee who shall claim to have sustained injuries on account

of or in connection with the work hereunder, whether or not such injuries shall have been sustained as a result or negligence of the Contractor, his subcontractors, the County of Nassau, their respective agents, servants or employees, or negligence of the injured employee.

- C. The Contractor shall be solely responsible for all injuries to person or damage to property therein occurring on account of the performance of work under this Contract whether due to negligence, fault or default of the Contractor or not, and irrespective of whether it shall have been due to the negligence, fault or default of the County of Nassau, its respective agents, servants or employees. The Contractor shall fully protect, indemnify and save harmless the County of Nassau from loss and from liability upon any and all claims on account of such injuries to employees or other persons or damage to property on account of any work done by the Contractor and from any costs and expenses in suits which may be brought against the County of Nassau for such damages or injuries.
- D. The obligation of the Contractor to indemnify and save harmless the County of Nassau as herein above set forth is absolute and not dependent upon any question of negligence on the part of the Contractor, the subcontractor, the County of Nassau, their respective agents, servants or employees. The approval by the County of Nassau of the methods of doing the work or the failure of the County of Nassau to call attention to improper or inadequate methods or to require a change in methods or to direct the Contractor to take any particular precautions or to refrain from doing any particular thing shall not excuse the Contractor in case of any such injury to person or damage to property.
- E. The Contractor shall take out and maintain during the life of this Contract a liability insurance policy and renewals thereof, issued by an insurance company approved by the County of Nassau, insuring the Contractor at all times during the life of the Contract against loss by reason of his contractual liability under this ARTICLE with limits of * for injuries to persons (including death) and * for damage to property. A Certificate of the issuance of such insurance policy shall be delivered to the County of Nassau upon the execution and delivery of this Contract and such Certificate shall contain an agreement by the insurance company issuing the policy that the policy will not be canceled without 10 days prior notice to the County of Nassau. At least 2 weeks prior to the expiration of the original policy or any renewal thereof a new certificate of the renewal of such insurance, containing an agreement by the insurance company that the insurance will not be canceled without 10 days prior notice to the County of Nassau shall be delivered to the County of Nassau.

* See Article XXVIII for schedule.

ARTICLE XLI. TIME OF START AND COMPLETION

Agree H&GE

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A. The Contractor shall commence work on the day specified in the Notice To Proceed signed by the Commissioner. However, before starting work, Nassau County will be required to set up a pre-construction meeting with the following in attendance: Nassau County project management, lowest bid contractor, NYSDOT Construction monitors for Local Projects, and utility representatives (if applicable). Two submittals will be required at the time of the meeting: 1. the prime contractors Health and Safety Plan, to be reviewed and approved by Nassau County prior to any work being performed. A copy of the plan will be sent to NYSDOT Construction indicating approval by the sponsor (section 107-05 of the NYS Standard Specifications) 2. A copy of the revised Construction Management Plan for NYSDOT and a second copy that can be signed by all four required signers and kept as part of the project records. Time being of the essence of this contract, the contractor shall thereafter prosecute the work diligently, using such means and methods of construction as will assure its full completion, in accordance with the requirements of the Contract Documents, not later than the date specified in the said notice.

B. Unless the date for completion is extended as herein provided, the Contractor shall complete the work in the number of consecutive calendar days fixed in this contract. The period for performance shall start from the day specified in the Commissioner's Notice To Proceed.

C. Unless approved in writing by the County, in its sole and absolute discretion, no contractual work shall be permitted on Official County Holidays. The Contractor is responsible for coordination with the County Engineer and/or his duly authorized representative prior to the start of work to determine the date(s) of observance of the Official County Holiday(s) that may occur during the course of the Contract. The Official County Holidays are: New Years Day, Martin Luther King, Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Election Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving Day and Christmas Day. Failure of the Contractor(s) to consider Official County Holidays during the preparation of their work plans and schedules shall not be cause for a delay claim against the County. Should circumstances arise, during the course of the Contract, where the Contractor requests approval to work on an Official County Holiday and it is granted, the Contractor will be required to reimburse the County for the cost of providing inspection services. Furthermore, failure of the Contractor to have considered such contingency costs in his bid price shall not be cause for an extra work claim to the County at a later date.

ARTICLE XIII. EXTENSION OF TIME

A. It is mutually agreed that no extension beyond the date of completion fixed by the terms of this Contract shall be effective unless in writing signed by the Commissioner of Public Works. Such extension shall be for such time and upon such terms and conditions

as shall be fixed by the Commissioner of Public Works, which may include a charge for engineering and inspection expenses actually incurred upon the work. Applications for such extension shall be filed by the Contractor with the Commissioner of Public Works, approved or denied, and submitted to NYSDOT Construction for their concurrence at least fifteen (15) days prior to the date of expiration fixed by the terms of this agreement. Nassau County shall submit to NYSDOT Construction a copy of both letters, including the initial letter from the Contractor requesting an extension of time with specific reasons (such as weather, etc), as well as the letter from Nassau County acknowledging and approving the time request. The request for a time extension by the contractor shall be submitted by Nassau County to NYSDOT Construction for their concurrence, only after the contractor has submitted a letter requesting time extension with a detailed explanation to the Nassau County and Nassau County has then agreed to the extension and sent a response letter to the contract approving the time extension request. The contractor's request for a time extension must be submitted to the County for a considerable period prior to the actual completion date preferably at least one month. The Contractor's request for extension must be submitted to the County prior to the actual completion date.

3. The Contractor agrees to make no claim for damages for delay in performance of this Contract occasioned by any act or omission to act by the County or any of its representatives and agrees that any such claim shall be fully compensated for by an extension of time to complete the performance of the work as provided herein.

ARTICLE XIV. LIQUIDATED DAMAGES

It is mutually agreed between the parties that time is of the essence in this Contract, and that there will be on the part of the County considerable monetary damage in the event of any delay in the completion of the same. The sum of \$500.00 per day is hereby agreed upon as the liquidated damages for each and every day after the specified date of completion in which the work remains in an incomplete condition, which amount shall in no event be considered as a penalty or otherwise than as the liquidated and adjusted damages of the County because of the said delay. The party of the second part hereby agrees that the sum of \$500.00 for each such day shall be deducted and retained out of monies which may become due hereunder. The County agrees that the date when such liquidated damages shall cease to accrue shall be the date of advise of completion as given by the Commissioner of Public Works, and waives the right of such liquidated damages as to the period covered by the final inspection and by notice to any parties interested.

When work is stopped by order of the Commissioner of Public Works during the Winter, the liquidated damages will be waived for the period until work may be resumed in the following spring.

* See Article XXVIII for schedule.

ARTICLE XV. INSURANCE AND BOND REQUIREMENTS

Agree H&GE

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A. GENERAL

1. At the execution of this contract, the contractor, at his own expense, must furnish those insurance policies and bonds as described below. Insurance certificates will be acceptable at date of contractor's signing.
2. All insurance policies and bonds must remain in effect throughout the duration of this contract.
3. Limits of liability are described in the Schedule of Requirements (Article XXVI) of this agreement.

B. CONTRACTOR'S PUBLIC LIABILITY INSURANCE

The contractor shall procure such Public Liability Insurance as shall protect him and his subcontractor(s) or any one directly or indirectly employed by either of them from claims for damage for bodily injury, including death, as well for claims for damage to property which may arise from operations under this contract for all Municipalities, Municipal Sub-Divisions and Fee Owners of properties on which work is done.

C. WORKER'S COMPENSATION INSURANCE

In accordance with the laws of The State of New York, failure to comply with this provision shall make this contract void.

D. OWNER'S CONTINGENT PUBLIC LIABILITY INSURANCE

The Contractor shall also furnish Owners Contingent Public Liability Insurance protecting, as the named insured;

1. The County of Nassau;
2. all Municipalities, Municipal Sub-Divisions; and
3. Fee Owners of Properties,
4. Consultants

on which work is being done, each to the full limits of liability as are listed in the Schedule of Requirements (Article XXVI) of this agreement, against claims arising from the operations of the Contractor and his subcontractors.

E. BONDS

The Contractor shall execute both a Performance Bond and a Labor and Material Bond, each in the amount of one hundred percent (100%) of the contract price, to remain in effect for the duration of the contract. In addition the bond forms are provided with the Contract Bid Documents and must be used, no other bond forms are acceptable.

Such bonds to be executed by a surety company authorized to do business in the State of New York and acceptable to the County

Comptroller; or bonds secured by collateral, or securities approved by the County Comptroller, and approved as to form and manner of execution by the County Attorney. Attorneys in fact who sign contract bonds must file with such bonds a certified copy of the power of attorney to sign such bonds.

All Bonds shall be issued by a Surety Company authorized to do business in the State of New York as evidenced by the Surety Company's most recent Certificate of Solvency under Section 3112 of the New York Insurance Law, a copy of which must be attached to the Bond OR issued by a Surety Company listed in the most recent copy of the Department of Treasury's Listing of Approved Sureties (Department Circular 579). The amount of said Bond shall not exceed the limits set by the aforesaid Certificate of Solvency or Treasury Department Circular.

ARTICLE XVI. ARREARS TO COUNTY (Sec. 2206 COUNTY CHARTER)

The Contractor warrants that he is not in arrears to the County upon debt or contract, and that he is not a defaulter, as surety, contractor or otherwise.

ARTICLE XVII. WORKER'S COMPENSATION LAW

Pursuant to the provisions of Chapter Four Hundred and Seventy-eight of the Laws of Nineteen Hundred Sixteen or amendments thereto, this Contract shall be void and of no effect unless the party of the second part shall secure compensation for the benefit of, and keep insured during the life of this Contract, such employees as are required to be insured by the provisions of Chapter Forty-one of the Laws of Nineteen Hundred Fourteen and acts amendatory thereto, known as the "Worker's Compensation Law."

ARTICLE XVIII. LABOR LAWS AND NOTICE OF EMPLOYERS' RIGHTS

An updated New York State Schedule of Prevailing Hourly Wage Rates for this Contract have been applied for and should be attached. If the updated schedule has not been received at the time of bid, they will be attached and made part of this agreement prior to execution of Contract, the Prevailing Wage Rates apply.

1. All persons employed to perform any work under this contract, must be provided with major medical and hospitalization benefits for the duration of this contract. Such benefits may be provided through a monthly lump-sum payment to the health care insurer of the employee's choice. Nothing herein shall be deemed to require the establishment or maintenance of an employee benefit plan.
2. No apprentice employed by the Contractor or any of his subcontractors shall be permitted to perform any work required

under this contract unless said apprentice is individually enrolled in, or a graduate of, a New York State approved apprentice training program registered with the Commissioner of Labor, and in conformity with Article 23 of the New York State Labor Law.

3. The Contractor must pay all wages and supplements required by law. Cash payments in lieu of fringe benefit supplements may be made at the option of the contractor, but any such cash payments must be made by check, draft or order payable to the employee. Records of such cash payments must be made promptly available for inspection upon request for the Nassau County Office of Labor Relations.

4. Posting of Notices

- a. Every Contractor who is a party to a public works contract with the County of Nassau shall, on behalf of its employees, Subcontractors, employees of Subcontractors and independent Contractors of Subcontractors, acknowledge and agrees to establish and maintain a Bulletin Board at or near the established job site Management Office or at such site as the Nassau County Department of Public Works directs, for the conspicuous posting of Notices including the New York State Department of Labor Schedules of Prevailing Wages and Supplements applicable to the Project, Worker's Compensation Law Notices, and all other Notices which are required by law and such Notices as the County of Nassau may require the Contractor to post at the site. To the extent practicable, notice must be posted in such a manner so that the general public may view same at the entrance to the job site.
- b. Such posting shall be secure from deterioration and/or obliteration by the elements, defacement, and acts of vandalism.
- c. Notices shall be maintained in a legible manner and shall be replaced if damaged, defaced, rendered illegible or removed for any reason.
- d. The posting of such Notices shall be undertaken prior to commencement of work at the site, if practical and feasible, and shall be maintained until the project has been substantially completed.
- e. Said notice shall include the telephone number and address of the New York State Department of Labor, Bureau of Public Works.
- f. For multiple prime contracts, each Contractor is required to provide the above, and identify the Contract to which it pertains. Nothing herein shall be construed

to relieve the Contractor from posting requirements otherwise required by law.

5. Providing Notice to Employees

- a. The Contractor shall, on behalf of its employees, Subcontractors, employees of Subcontractors and independent Contractors of Subcontractors, provide written notice to each employee including all his Subcontractors employees that he or she is entitled to receive the prevailing wage and supplements for the occupation for which he or she has been hired. Such written notice shall be given to the employee at or before such individual commences work at the Project Site.
- b. The Contractor shall obtain from each employee a written acknowledgment that the employee has received a copy of such notice and is receiving the prevailing wage rate. For the purpose of this section, an employee includes, in addition to those immediately under the hire and/or supervision of the Contractor, employees and independent contractors of subcontractors engaged in work at the Project Site. The written acknowledgments of the employees required herein shall accompany each month's partial payment request. Wage rate interviews should be performed periodically and be included in the project file. Be sure to use the appropriate NY State MWRK 10 form. Also, be sure to complete the bottom section of this MWRK form by verifying the salary of the particular worker against the certified payrolls submitted by the contractor.

6. Payroll Records

- a. The Contractor shall, on behalf of its employees, Subcontractors, employees of Subcontractors and independent Contractors of Subcontractors, maintain at the job site (or such place designated by the County of Nassau) original payrolls, employee attendance records and/or transcripts thereof as are required to be maintained pursuant to Section 220 of the New York Labor Law and shall maintain the written acknowledgments of the employees as required above with the payrolls and transcripts.
- b. The Contractor shall, on behalf of its employees, Subcontractors, employees of Subcontractors and independent Contractors of Subcontractors, provide to the Resident Project Engineer the Nassau County Director of Labor Relations (or other individuals designated by

the County of Nassau) upon application for payment an employment attendance sheet for all employees, including employees of Subcontractors, for each day on which work is performed on the site, upon a form acceptable to the County of Nassau, containing such information as the County of Nassau deems appropriate, including job classification, hours of employment, wage rate and supplements payable and employer. A current attendance record shall be maintained at a location designated by the County of Nassau.

- c. Every Contractor on a public works contract to which Nassau County is a party shall, on behalf of its employees, Subcontractors, employees of Subcontractors and independent Contractors of Subcontractors, submit a transcript of its original payroll record for all work performed by the Contractor to the Public Works Commissioner of the County of Nassau, the Clerk of the Nassau County Legislature and to the Nassau County Office of Labor Relations within thirty days after the issuance of its first payroll, and every thirty days thereafter. Submissions shall be in such a form as to comply with Section 220 of the Labor Law.
- d. Upon receipt of a copy of the prevailing rate schedule of wages and supplements specified in the public improvement contract, or of a subsequently issued prevailing rate schedule, every Contractor and Subcontractor shall provide a verified statement attesting that the Contractor and Subcontractor has received and reviewed such schedule of wages and supplements, or subsequently issued schedule, and agrees that it will pay the applicable prevailing wages and will provide the supplements specified therein. Such verified statement shall be filed with the Public Works Commissioner of the County of Nassau and the Clerk of the Nassau County Legislature. It shall be a violation of Local Law 1998 for any Contractor or its Subcontractor to fail to provide to its Subcontractor a copy of the prevailing rate schedule of wages and supplements specified in the contract as well as any prevailing rate issued subsequent to the schedule specified in the contract.
- e. Before the Contractor may request a progress payment for any item of work performed by a Subcontractor, the Contractor shall furnish the County of Nassau with a copy of that Subcontractor's verified statement required by New York Labor Law Section 220-a. Before issuance of the final payment, the Contractor shall furnish the County with the original certifications and verified statements required by New York Labor Law Section 220-a. Before any payment is made to the contractor, the

contractor must submit materials certifications as per the contract items specifications to Nassau County along with the AAP-231LL form, Employment Monthly Utilization form and the AAP 21LL, Contractor Report of Contract Payments. These two forms must be printed from the ERO system and included with the payment. After this information has been reviewed and found acceptable to Nassau County, payment procedures may begin.

- f. Before final payment is made by or on behalf of the county for any sum or sums due on account of a contract for a public improvement, it shall be the duty of the Nassau County Comptroller to require the Contractor to file every verified statement required to be obtained by the Contractor from its Subcontractors pursuant to subdivision two of Local Law 1998 and to file a statement in writing in form satisfactory to such officer certifying to the amounts then due and owing from such Contractor filing such statement to or on behalf of any and all laborers for daily or weekly wages or supplements on account of labor performed upon the work under the contract, setting forth therein the names of the persons whose wages or supplements are unpaid and the amount due to each or on behalf of each respectively. Such statement shall also set forth the amounts known by the Contractor to be then due and owing from each Subcontractor, or from a Subcontractor of such Subcontractor, for wages or supplements, or shall certify that the Contractor has no knowledge of such amounts owing to or on behalf of any laborers of its Subcontractors, and that in the event it is determined by the Commissioner that the wages or supplements or both of any employees of such Subcontractors have not been paid or provided pursuant to the appropriate schedule of wages and supplements, the Contractor shall be responsible for payment of such wages or supplements pursuant to New York State law. Such statements so to be filed shall be verified by the oath of the Contractor that he or she has read such statement subscribed by him or her and knows the contents thereof, and that the same is true of his or her own knowledge except with respect to wages and supplements owing by Subcontractors which may be certified upon information and belief. Before Nassau County submits the final payment for reimbursement, Nassau County shall contact and coordinate with NYS DOT Local Projects Construction Monitors to schedule a final inspection. This will be performed only after the first punchlist is completed by the contractor. During the final inspection, a second punchlist will be established. The items of incomplete work or work not meeting specification will need to be resolved by the contractor. Nassau County will need to follow the requirements from Chapter 17 of the PLAFAP

manual for Local Project Close-Outs.

- g. The Contractor shall ensure that all employees on the job site shall have received appropriate training and possess all required state and county licenses for specialty, craft, skill, trade or other professional or licensed trades.
- h. No Contractor, Subcontractor, nor any person acting on its behalf should in any manner discriminate because of race, creed, color, religion, sex, national origin, age, marital status, or disability, against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates.

PREVENTION OF DELAY

The Contractor and his Subcontractors shall not employ any labor or means whose employment or utilization during the course of this Contract, may tend to, or in any way cause, or result in, strikes, work stoppages, delays, suspension of work or similar troubles by workmen employed by the Contractor or his Subcontractors, or by any of the trades working in or about the job sites where work is being performed under this Contract, or any other Contract on the job site. Any violation of this requirement by the Contractor may, upon written determination of the Commissioner of Public Works, be considered as proper and sufficient cause for canceling and terminating this Contract without any penalty to the COUNTY and the COUNTY shall be entitled to recover any damages from the Contractor that may have been caused by such violation.

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NEW YORK STATE
SCHEDULE OF PREVAILING HOURLY WAGE RATES

NO TEXT ON THIS PAGE



Andrew M. Cuomo, Governor

Yusef J. Musolino, Acting Commissioner

Nassau County Dept Public Work
Loretta Dionisio, Hydrogeologist II
1194 Prospect Avenue
Westbury, NY 11590

Schedule Year: 2015 through 2016
Date Requested: 08/09/2015
PRC#: 2015008240

Location: Various - Nassau County
Project ID#: H62000-03E
Project Type: This contract will provide personnel to operate and maintain the County's traffic signal and ITS communications infrastructure.

PREVAILING WAGE SCHEDULE FOR ARTICLE 8 PUBLIC WORK PROJECT

Attached is the current schedule(s) of the prevailing wage rates and prevailing hourly supplements for the project referenced above. A unique Prevailing Wage Case Number (PRC#) has been assigned to the schedule(s) for your project.

The schedule is effective from July 2015 through June 2016. All updates, corrections, posted on the 1st business day of each month, and future copies of the annual determination are available on the Department's website www.labor.state.ny.us. Updated PDF copies of your schedule can be accessed by entering your assigned PRC# at the proper location on the website.

It is the responsibility of the contracting agency or its agent to annex and make part the attached schedule, to the specifications for this project, when it is advertised for bids and /or to forward said schedules to the successful bidder(s), immediately upon receipt, in order to insure the proper payment of wages.

Please refer to the "General Provisions of Laws Covering Workers on Public Work Contracts" provided with this schedule, for the specific details relating to other responsibilities of the Department of Jurisdiction.

Upon completion or cancellation of this project, enter the required information and mail **OR** fax this form to the office shown at the bottom of this notice, **OR** fill out the electronic version via the NYSDOL website.

NOTICE OF COMPLETION / CANCELLATION OF PROJECT

Date Completed: _____ Date Canceled: _____

Name & Title of Representative: _____

Phone: (518) 457-5589 Fax: (518) 495-1670
W. Averell Harriman State Office Campus, Bldg. 12, Room 130 Albany, NY 12240

www.labor.state.ny.us

PW 200

PWAsk@labor.state.ny.us

General Provisions of Laws Covering Workers on Article 8 Public Work Contracts

Introduction

The Labor Law requires public work contractors and subcontractors to pay laborers, workers, or mechanics employed in the performance of a public work contract not less than the prevailing rate of wage and supplements (fringe benefits) in the locality where the work is performed.

Responsibilities of the Department of Jurisdiction

A Department of Jurisdiction (Contracting Agency) includes a state department, agency, board or commission; a county, city, town or village; a school district, board of education; or board of cooperative educational services; a sewer, water, fire, improvement and other district corporation; a public benefit corporation; and a public authority awarding a public work contract.

The Department of Jurisdiction (Contracting Agency) awarding a public work contract MUST obtain a Prevailing Rate Schedule listing the hourly rates of wages and supplements due the workers to be employed on a public work project. This schedule may be obtained by completing and forwarding a "Request for Wage and Supplement Information" form (PW 39) to the Bureau of Public Work. The Prevailing Rate Schedule MUST be included in the specifications for the contract to be awarded and is deemed part of the public work contract.

Upon the awarding of the contract, the law requires that the Department of Jurisdiction (Contracting Agency) furnish the following information to the Bureau: the name and address of the contractor; the date the contract was let and the approximate dollar value of the contract. To facilitate compliance with this provision of the Labor Law, a copy of the Department's "Notice of Contract Award" form (PW 13) is provided with the original Prevailing Rate Schedule.

The Department of Jurisdiction (Contracting Agency) is required to notify the Bureau of the completion or cancellation of any public work project. The Department's PW 200 form is provided for that purpose.

Both the PW 13 and PW 200 forms are available for completion online.

Hours

No laborer, worker, or mechanic in the employ of a contractor or subcontractor engaged in the performance of any public work project shall be permitted to work more than eight hours in any day or more than five days in any week, except in cases of extraordinary emergency. The contractor and the Department of Jurisdiction (Contracting Agency) may apply to the Bureau of Public Work for a dispensation permitting workers to work additional hours or days per week on a particular public work project.

There are very few exceptions to this rule. Complete information regarding these exceptions is available on the "4 Day / 10 Hour Work Schedule" form (PW 30R).

Wages and Supplements

The wages and supplements to be paid and/or provided to laborers, workers, and mechanics employed on a public work project shall be not less than those listed in the current Prevailing Rate Schedule for the locality where the work is performed. If a prime contractor on a public work project has not been provided with a Prevailing Rate Schedule, the contractor must notify the Department of Jurisdiction (Contracting Agency) who in turn must request an original Prevailing Rate Schedule from the Bureau of Public Work. Requests may be submitted by mail to NYSDOL, Bureau of Public Work, State Office Bldg. Campus, Bldg. 12, Rm. 150, Albany, NY 12240; Fax to Bureau of Public Work (518) 485-1870; or electronically at the NYSDOL website www.labor.state.ny.us.

Upon receiving the original schedule, the Department of Jurisdiction (Contracting Agency) is REQUIRED to provide complete copies to all prime contractors who in turn MUST, by law, provide copies of all applicable county schedules to each subcontractor and obtain from each subcontractor an affidavit certifying such schedules were received. If the original schedule expired, the contractor may obtain a copy of the new annual determination from the NYSDOL website www.labor.state.ny.us.

The Commissioner of Labor makes an annual determination of the prevailing rates. This determination is in effect from July 1st through June 30th of the following year. The annual determination is available on the NYSDOL website www.labor.state.ny.us.

Payrolls and Payroll Records

Every contractor and subcontractor MUST keep original payrolls or transcripts subscribed and affirmed as true under penalty of perjury. Payrolls must be maintained for at least three (3) years from the project's date of completion. At a minimum, payrolls must show the following information for each person employed on a public work project: Name, Address, Last 4 Digits of Social Security Number, Classification(s) in which the worker was employed, Hourly wage rate(s) paid, Supplements paid or provided, and Daily and weekly number of hours worked in each classification.

Every contractor and subcontractor shall submit to the Department of Jurisdiction (Contracting Agency), within thirty (30) days after issuance of its first payroll and every thirty (30) days thereafter, a transcript of the original payrolls, subscribed and affirmed as true under penalty of perjury. The Department of Jurisdiction (Contracting Agency) shall collect, review for facial validity, and maintain such payrolls.

In addition, the Commissioner of Labor may require contractors to furnish, with ten (10) days of a request, payroll records sworn to as their validity and accuracy for public work and private work. Payroll records include, by are not limited to time cards, work description sheets, proof that supplements were provided, canceled payroll checks and payrolls. Failure to provide the requested information within the allotted ten (10) days will result in the withholding of up to 26% of the contract, not to exceed \$100,000.00. If the contractor or subcontractor does not maintain a place of business in New York State and the amount of the contract exceeds \$25,000.00, payroll records and certifications must be kept on the project worksite.

The prime contractor is responsible for any underpayments of prevailing wages or supplements by any subcontractor.

All contractors or their subcontractors shall provide to their subcontractors a copy of the Prevailing Rate Schedule specified in the public work contract as well as any subsequently issued schedules. A failure to provide these schedules by a contractor or subcontractor is a violation of Article 8, Section 220-a of the Labor Law.

All subcontractors engaged by a public work project contractor or its subcontractor, upon receipt of the original schedule and any subsequently issued schedules, shall provide to such contractor a verified statement attesting that the subcontractor has received the Prevailing Rate Schedule and will pay or provide the applicable rates of wages and supplements specified therein. (See NY's Labor Laws, Article 8, Section 220-a).

Determination of Prevailing Wage and Supplement Rate Updates Applicable to All Counties

The wages and supplements contained in the annual determination become effective July 1st whether or not the new determination has been received by a given contractor. Care should be taken to review the rates for obvious errors. Any corrections should be brought to the Department's attention immediately. It is the responsibility of the public work contractor to use the proper rates. If there is a question on the proper classification to be used, please call the district office located nearest the project. Any errors in the annual determination will be corrected and posted to the NYSOGL website on the first business day of each month. Contractors are responsible for paying these updated rates as well, retroactive to July 1st.

When you review the schedule for a particular occupation, your attention should be directed to the dates above the column of rates. These are the dates for which a given set of rates is effective. To the extent possible, the Department posts rates in its possession that cover periods of time beyond the July 1st to June 30th time frame covered by a particular annual determination. Rates that extend beyond that instant time period are informational ONLY and may be updated in future annual determinations that actually cover the then appropriate July 1st to June 30th time period.

Withholding of Payments

When a complaint is filed with the Commissioner of Labor alleging the failure of a contractor or subcontractor to pay or provide the prevailing wages or supplements, or when the Commissioner of Labor believes that unpaid wages or supplements may be due, payments on the public work contract shall be withheld from the prime contractor in a sufficient amount to satisfy the alleged unpaid wages and supplements, including interest and civil penalty, pending a final determination.

When the Bureau of Public Work finds that a contractor or subcontractor on a public work project failed to pay or provide the requisite prevailing wages or supplements, the Bureau is authorized by Sections 220-b and 255.2 of the Labor Law to so notify the financial officer of the Department of Jurisdiction (Contracting Agency) that awarded the public work contract. Such officer MUST then withhold or cause to be withheld from any payment due the prime contractor an amount of such contract the amount indicated by the Bureau as sufficient to satisfy the unpaid wages and supplements, including interest and any civil penalty that may be assessed by the Commissioner of Labor. The withholding continues until there is a final determination of the underpayment by the Commissioner of Labor or by the court in the event a legal proceeding is instituted for review of the determination of the Commissioner of Labor.

The Department of Jurisdiction (Contracting Agency) shall comply with this order of the Commissioner of Labor or of the court with respect to the release of the funds so withheld.

Summary of Notice Posting Requirements

The current Prevailing Rate Schedule must be posted in a prominent and accessible place on the site of the public work project. The prevailing wage schedule must be enclosed in, or constructed of, materials capable of withstanding adverse weather conditions and be titled "PREVAILING RATE OF WAGES" in letters no smaller than two (2) inches by two (2) inches.

The "Public Work Project" notice must be posted at the beginning of the performance of every public work contract, on each job site.

Every employer providing workers' compensation insurance and disability benefits must post notices of such coverage in the format prescribed by the Workers' Compensation Board in a conspicuous place on the jobsite.

Every employer subject to the NYS Human Rights Law must conspicuously post at its offices, places of employment, or employment/training centers, notices furnished by the State Division of Human Rights.

Employers liable for contributions under the Unemployment Insurance Law must conspicuously post on the jobsite notices furnished by the NYS Department of Labor.

Apprentices

Employees cannot be paid apprentice rates unless they are individually registered in a program registered with the NYS Commissioner of Labor. The allowable ratio of apprentices to journeyworkers in any craft classification can be no greater than the statewide building trade ratios promulgated by the Department of Labor and included with the Prevailing Rate Schedule. An employee listed on a payroll as an apprentice who is not registered as above or is performing work outside the classification of work for which the apprentice is indentured, must be paid the prevailing journeyworker's wage rate for the classification of work the employee is actually performing.

NYS DOL Labor Law, Article 8, Section 220-3, require that only apprentices individually registered with the NYS Department of Labor may be paid apprenticeship rates on a public work project. No other Federal or State Agency or office registers apprentices in New York State.

Persons wishing to verify the apprentice registration of any person must do so in writing by mail, to the NYSDOL Office of Employability Development / Apprenticeship Training, State Office Bldg. Campus, Bldg. 12, Albany, NY 12240 or by Fax to NYSDOL Apprenticeship Training (518) 467-7154. All requests for verification must include the name and social security number of the person for whom the information is requested.

The only conclusive proof of individual apprentice registration is written verification from the NYSDOL Apprenticeship Training Albany Center's office. Neither Federal nor State Apprenticeship Training offices outside of Albany can provide conclusive registration information.

It should be noted that the existence of a registered apprenticeship program is not conclusive proof that any person is registered in that program. Furthermore, the existence or possession of wallet cards, identification cards, or copies of state forms is not conclusive proof of the registration of any person as an apprentice.

Interest and Penalties

In the event that an underpayment of wages and/or supplements is found:

- Interest shall be assessed at the rate then in effect as prescribed by the Superintendent of Banks pursuant to section 24-a of the Banking Law, per annum from the date of underpayment to the date restitution is made.
- A Civil Penalty may also be assessed, not to exceed 25% of the total of wages, supplements, and interest due.

Debarment

Any contractor or subcontractor and/or its successor shall be ineligible to submit a bid on or be awarded any public work contract or subcontract with any state, municipal corporation or public body for a period of five (5) years when:

- Two (2) willful determinations have been rendered against that contractor or subcontractor and/or its successor within any consecutive six (6) year period.
- There is any willful determination that involves the falsification of payroll records or the kickback of wages or supplements.

Criminal Sanctions

Willful violations of the Prevailing Wage Law (Article 8 of the Labor Law) may be a felony punishable by fine or imprisonment of up to 15 years, or both.

Discrimination

No employee or applicant for employment may be discriminated against on account of age, race, creed, color, national origin, sex, disability or marital status.

No contractor, subcontractor nor any person acting on its behalf, shall by reason of race, creed, color, disability, sex or national origin discriminate against any citizen of the State of New York who is qualified and available to perform the work to which the employment relates (NYS Labor Law, Article 6, Section 220-9(f)).

No contractor, subcontractor, nor any person acting on its behalf, shall in any manner, discriminate against or intimidate any employee on account of race, creed, color, disability, sex, or national origin (NYS Labor Law, Article 8, Section 220-9(b)).

The Human Rights Law also prohibits discrimination in employment because of age, marital status, or religion.

There may be deducted from the amount payable to the contractor under the contract a penalty of \$50.00 for each calendar day during which such person was discriminated against or intimidated in violation of the provision of the contract (NYS Labor Law, Article 6, Section 220-e(c)).

The contract may be cancelled or terminated by the State or municipality. All monies due or to become due thereunder may be forfeited for a second or any subsequent violation of the terms or conditions of the anti-discrimination sections of the contract (NYS Labor Law, Article 6, Section 220-e(d)).

Every employer subject to the New York State Human Rights Law must conspicuously post at its offices, places of employment, or employment training centers notices furnished by the State Division of Human Rights.

Workers' Compensation

In accordance with Section 142 of the State Finance Law, the contractor shall maintain coverage during the life of the contract for the benefit of such employees as required by the provisions of the New York State Workers' Compensation Law.

A contractor who is awarded a public work contract must provide proof of workers' compensation coverage prior to being allowed to begin work.

The insurance policy must be issued by a company authorized to provide workers' compensation coverage in New York State. Proof of coverage must be on form C-100.2 (Certificate of Workers' Compensation Insurance) and must name this agency as a certificate holder.

If New York State coverage is added to an existing out-of-state policy, it can only be added to a policy from a company authorized to write workers' compensation coverage in this state. The coverage must be listed under item 2A of the information page.

The contractor must maintain proof that subcontractors doing work covered under this contract secured and maintained a workers' compensation policy for all employees working in New York State.

Every employer providing workers' compensation insurance and disability benefits must post notices of such coverage in the format prescribed by the Workers' Compensation Board in a conspicuous place on the jobsite.

Unemployment Insurance

Employers liable for contributions under the Unemployment Insurance Law must conspicuously post on the jobsite notices furnished by the New York State Department of Labor.



Andrew M. Cuomo, Governor

Marco J. Musolino, Acting Commissioner

Nassau County Dept Public Work

Loretta DiOnofrio, Hydrogeologist II
1184 Prospect Avenue
Westbury NY 11590

Schedule Year: 2016 through 2016
Date Requested: 08/06/2015
PRC#: 2015008240

Location: Various - Nassau County
Project ID#: H6200-03E
Project Type: This contract will provide personnel to operate and maintain the County's traffic signal and ITS communications infrastructure.

Notice of Contract Award

New York State Labor Law, Article 8, Section 220.3a requires that certain information regarding the awarding of public work contracts, be furnished to the Commissioner of Labor. One "Notice of Contract Award" (PW 18, which may be photocopied), **MUST** be completed for **EACH** prime contractor on the above referenced project.

Upon notifying the successful bidder(s) of this contract, enter the required information and mail **OR** fax this form to the office shown at the bottom of this notice, **OR** fill out the electronic version via the NYSDOL website.

Contractor Information
All information must be supplied

Federal Employer Identification Number: _____	
Name: _____	
Address: _____	
City: _____ State: _____ Zip: _____	
Amount of Contract: \$ _____	Contract Type:
Approximate Starting Date: ____/____/____	<input type="checkbox"/> (01) General Construction
Approximate Completion Date: ____/____/____	<input type="checkbox"/> (02) Heating/Ventilation
	<input type="checkbox"/> (03) Electrical
	<input type="checkbox"/> (04) Plumbing
	<input type="checkbox"/> (05) Other: _____

Phone: (518) 467-5689 Fax: (518) 466-1070
W. Averil Hartman State Office Campus, Bldg. 12, Room 120, Albany, NY 12243

www.labor.state.ny.us

PW 18

PWAsk@labor.state.ny.us

IMPORTANT NOTICE

FOR

CONTRACTORS & CONTRACTING AGENCIES

Social Security Numbers on Certified Payrolls

The Department of Labor is cognizant of the concerns of the potential for misuse or inadvertent disclosure of social security numbers. Identity theft is a growing problem and we are sympathetic to contractors' concerns with regard to inclusion of this information on payrolls if another identifier will suffice.

For these reasons, *the substitution of the use of the last four digits of the social security number on certified payrolls submitted to contracting agencies on public work projects is now acceptable to the Department of Labor.*

NOTE: This change does not affect the Department's ability to request and receive the entire social security number from employers during the course of its public work / prevailing wage investigations.

Budget Policy & Reporting Manual

B-610

Public Work Enforcement Fund

effective date December 7, 2005

1. Purpose and Scope:

This item describes the Public Work Enforcement Fund (the Fund, PWEF) and its relevance to State agencies and public benefit corporations engaged in construction or reconstruction contracts, maintenance and repair, and announces the recently-enacted increase to the percentage of the dollar value of such contracts that must be deposited into the Fund. This item also describes the roles of the following entities with respect to the Fund:

- New York State Department of Labor (DOL),
- The Office of the State Comptroller (OSC), and
- State agencies and public benefit corporations.

2. Background and Statutory References:

DOL uses the Fund to enforce the State's Labor Law as it relates to contracts for construction or reconstruction, maintenance and repair, as defined in subdivision two of Section 220 of the Labor Law. State agencies and public benefit corporations participating in such contracts are required to make payments to the Fund.

Chapter 511 of the Laws of 1995 (as amended by Chapter 513 of the Laws of 1997, Chapter 658 of the Laws of 1999, Chapter 376 of the Laws of 2003 and Chapter 407 of the Laws of 2005) established the Fund.

3. Procedures and Agency Responsibilities:

The Fund is supported by transfers and deposits based on the value of contracts for construction and reconstruction, maintenance and repair, as defined in subdivision two of Section 220 of the Labor Law, into which all State agencies and public benefit corporations enter.

Chapter 407 of the Laws of 2005 increased the amount required to be provided to this fund to .10 of one-percent of the total cost of each such contract, to be calculated at the time agencies or public benefit corporations enter into a new contract or if a contract is amended. The provisions of this bill became effective August 2, 2005.

**To all State Departments, Agency Heads and Public Benefit Corporations
IMPORTANT NOTICE REGARDING PUBLIC WORK ENFORCEMENT FUND**

OSC will report to DOL on all construction-related ("D") contracts approved during the month, including contract amendments, and then DOL will bill agencies the appropriate assessment monthly. An agency may then make a determination if any of the billed contracts are exempt and so note on the bill submitted back to DOL. For any instance where an agency is unsure if a contract is or is not exempt, they can call the Bureau of Public Work at the number noted below for a determination. Payment by check or journal voucher is due to DOL within thirty days from the date of the billing. DOL will verify the amounts and forward them to OSC for processing.

For those contracts which are not approved or administered by the Comptroller, monthly reports and payments for deposit into the Public Work Enforcement Fund must be provided to the Administrative Finance Bureau at the DOL within 30 days of the end of each month or on a payment schedule mutually agreed upon with DOL.

Reports should contain the following information:

- Name and billing address of State agency or public benefit corporation;
- State agency or public benefit corporation contact and phone number;
- Name and address of contractor receiving the award;
- Contract number and effective dates;
- Contract amount and PWEF assessment charge (if contract amount has been amended, reflect increase or decrease to original contract and the adjustment in the PWEF charge); and
- Brief description of the work to be performed under each contract.

Checks and Journal Vouchers, payable to the "New York State Department of Labor" should be sent to:

Department of Labor
Administrative Finance Bureau-PWRP Unit
Building 12, Room 464
State Office Campus
Albany, NY 12240

Any questions regarding billing should be directed to NYSDOL's Administrative Finance Bureau-PWEF Unit at (518) 457-3624 and any questions regarding Public Work Contracts should be directed to the Bureau of Public Work at (518) 457-5589.

Construction Industry Fair Play Act

Required Posting For Labor Law Article 25-B § 861-d

Construction industry employers must post the "Construction Industry Fair Play Act" notice in a prominent and accessible place on the job site.

Failure to post the notice can result in penalties of up to \$1,500 for a first offense and up to \$5,000 for a second offense.

The posting is included as part of this wage schedule. Additional copies may be obtained from the NYS DOL website, www.labor.ny.gov.

If you have any questions concerning the Fair Play Act, please call the State Labor Department toll-free at 1-866-435-1499 or email us at: dol.misclassified@labor.state.ny.us.

WORKER NOTIFICATION

(Labor Law §220, paragraph a of subdivision 3-a)

Effective February 24, 2008

This provision is an addition to the existing prevailing wage rate law, Labor Law §220, paragraph a of subdivision 3-a. It requires contractors and subcontractors to provide written notice to all laborers, workers or mechanics of the *prevailing wage rate* for their particular job classification *on each pay stub**. It also requires contractors and subcontractors to *post a notice* at the beginning of the performance of every public work contract *on each job site* that includes the telephone number and address for the Department of Labor and a statement informing laborers, workers or mechanics of their right to contact the Department of Labor if he/she is not receiving the proper prevailing rate of wages and/or supplements for his/her particular job classification. The required notification will be provided with each wage schedule, may be downloaded from our website www.labor.state.ny.us or made available upon request by contacting the Bureau of Public Work at 518-457-5589.

* In the event that the required information will not fit on the pay stub, an accompanying sheet or attachment of the information will suffice.

01.03



New York State Department of Labor
Bureau of Public Work

Attention Employees

THIS IS A:

PUBLIC WORK PROJECT

If you are employed on this project as a worker, laborer, or mechanic you are entitled to receive the prevailing wage and supplements rate for the classification at which you are working.

Chapter 629 of the Labor Laws of 2007:

These wages are set by law and must be posted at the work site. They can also be found at: www.labor.ny.gov

If you feel that you have not received proper wages or benefits, please call our nearest office.*

Albany	(518) 457-2744	Patchogue	(831) 687-4882
Binghamton	(607) 721-8035	Rochester	(585) 258-4506
Buffalo	(716) 847-7169	Syracuse	(315) 428-4056
Garden City	(516) 228-3915	Utica	(315) 793-2314
New York City	(212) 776-3668	White Plains	(914) 997-9507
Newburgh	(845) 568-5287		

* For New York City government agency construction projects, please contact the Office of the NYC Comptroller at (212) 669-4443, or www.comptroller.nyc.gov - click on Bureau of Labor Law.

Contractor Name: _____

Project Location: _____

PW 101 (10.12)

OSHA 10-hour Construction Safety and Health Course – S1537-A

Effective July 18, 2008

This provision is an addition to the existing prevailing wage rate law, Labor Law §220, section 220-h. It requires that on all public work projects of at least \$250,000.00, all laborers, workers and mechanics working on the site, be certified as having successfully completed the OSHA 10-hour construction safety and health course. It further requires that the advertised bids and contracts for every public work contract of at least \$250,000.00, contain a provision of this requirement.

NOTE: The OSHA 10 Legislation only applies to workers on a public work project that are required, under Article 8, to receive the prevailing wage.

(03.12)

Page 1 of 2

Where to find OSHA 10-hour Construction Course

1. NYS Department of Labor website for scheduled outreach training at:

www.labor.ny.gov/workersprotection/safetyhealth/DOSEH_OHSITE_CONSULTATION.shtml

2. OSHA Training Institute Education Centers:

Rochester Institute of Technology OSHA Education Center

Rochester, NY

Donna Winter

Fax (585) 475-6292

e-mail: dwinter@rit.edu

(866) 385-7470 Ext. 2919

www.rit.edu/~outreach/course.php3?CourseID=54

Atlantic OSHA Training Center

UMDNJ – School of Public Health

Piscataway, NJ

Janet Crooks

Fax (732) 235-9460

e-mail: crooksja@umdnj.edu

(732) 235-9455

<http://orhp.umdnj.edu/ycconnect/ShowSchedule.asp?---GROUP---AOTCON-10->

Atlantic OSHA Training Center

University at Buffalo

Buffalo, New York

Joe Syracuse

Fax (716) 829-2806

e-mail: jms10@buffalo.edu

(716) 829-2125

http://www.snhc.buffalo.edu/CENTERS/training/schedule_OSHA.php

Keene State College

Manchester, NH

Leslie Singleton

e-mail: lsingleton@keene.edu

(800) 449-5742

www.keene.edu/courses/ehat/course_osh10.edu

3. List of trainers and training schedules for OSHA outreach training at:

www.OutreachTrainers.org

Requirements for OSHA 10 Compliance

Chapter 282 of the Laws of 2007, codified as Labor Law 220-h took effect on July 18, 2008. The statute provides as follows:

The advertised specifications for every contract for public work of \$250,000.00 or more must contain a provision requiring that every worker employed in the performance of a public work contract shall be certified as having completed an OSHA 10 safety training course. The clear intent of this provision is to require that all employees of public work contractors, required to be paid prevailing rates, receive such training "prior to the performing any work on the project."

The Bureau will enforce the statute as follows:

All contractors and sub contractors must attach a copy of proof of completion of the OSHA 10 course to the first certified payroll submitted to the contracting agency and on each succeeding payroll where any new or additional employee is first listed.

Proof of completion may include but is not limited to:

- Copies of bona fide course completion card (*Note: Completion cards do not have an expiration date.*)
- Training roster, attendance record or other documentation from the certified trainer pending the issuance of the card.
- Other valid proof

**A certification by the employer attesting that all employees have completed such a course is not sufficient proof that the course has been completed.

Any questions regarding this statute may be directed to the New York State Department of Labor, Bureau of Public Work at 518-485-5696.

IMPORTANT INFORMATION

Regarding Use of Form PW30R

"Employer Registration for Use of 4 Day / 10 Hour Work Schedule"

To use the '4 Day / 10 Hour Work Schedule':

There **MUST** be a Dispensation of Hours (PW30) in place on the project

AND

You **MUST** register your intent to work 4 / 10 hour days, by completing the PW30R Form.

REMEMBER...

The '4 Day / 10 Hour Work Schedule' applies **ONLY** to Job Classifications and Counties listed on the PW30R Form.

Do not write in any additional Classifications or Counties.

(Please note : For each Job Classification check the individual wage schedule for specific details regarding their 4/10 hour day posting)

Instructions for Completing Form PW30R

"Employer Registration for Use of 4 Day / 10 Hour Work Schedule"

Before completing Form PW30R check to be sure ...

- There is a *Dispensation of Hours* in place on the project.
- The 4 Day / 10 Hour Work Schedule applies to the Job Classifications you will be using.
- The 4 Day / 10 Hour Work Schedule applies to the County / Counties where the work will take place.

Instructions (Type or Print legibly):

Contractor Information:

- Enter the Legal Name of the business, FEIN, Street Address, City, State, Zip Code, the Company's Phone and Fax numbers, and the Company's email address (if applicable)
- Enter the Name of a Contact Person for the Company along with their Phone and Fax numbers, and the personal email address (if applicable)

Project Information:

- Enter the Prevailing Rate Case number (PRCA) assigned to this project
- Enter the Project Name / Type (i.e. Smithtown CSD - Replacement of HS Roof)
- Enter the Exact Location of Project (i.e. Smithtown HS, 143 County Route #2, Smithtown, NY, Bldgs. 1 & 2)
- If you are a Subcontractor, enter the name of the Prime Contractor for which you work
- On the Checklist of Job Classifications -
 - Go to pages 2 and 3 of the form
 - Place a checkmark in the box to the right of the Job Classification you are choosing
 - Mark all Job Classifications that apply

*** Do not write in any additional Classifications or Counties.***

Requestor Information:

- Enter the name of the person submitting the registration, their title with the company, and the date the registration is filled out

Return Completed Form:

- Mail the completed PW30R form (3 pages) to: NYSOCL Bureau of Public Work, SOBC- Bldg. 12 - Rm. 130, Albany, NY 12240 -OR-
- Fax the completed PW30R form (3 pages) to: NYSOCL Bureau of Public Work at (518)435-1870



New York State Department of Labor
 Bureau of Public Work
 W. Averel Harriman State Office Campus
 Building 12 - Room 130
 Albany, New York 12240
 Phone - (518) 457-6559 Fax - (518) 486-1870

Employer Registration for 4 Day / 10 Hour Work Schedule

Before completing Form PW30R check to be sure ...
 There is a Dispensator of Hours in place on the project.
 The 4 Day / 10 Hour Work Schedule applies to the Job Classifications you will be using.
 The 4 Day / 10 Hour Work Schedule applies to the County / Counties where the work will take place.

Please Type or Print the Requested Information

When completed ...
 Mail to NYSDOL Bureau of Public Work, SOBC, Bldg. 12, Rm. 130, Albany, NY 12240
 -or-
 Fax to NYSDOL Bureau of Public Work at (518) 456-1870

Contractor Information

Company Name: _____ FBN: _____
 Address: _____
 City: _____ State: _____ Zip Code: _____
 Phone Number _____ Fax Number: _____ Email Address: _____
 Contact Person: _____
 Phone No: _____ Fax No: _____ Email: _____

Project Information

Project FIC#: _____ Project Name/Type: _____
 Exact Location of Project: _____ County: _____
 (If you are Subcontractor)
 Prime Contractor Name: _____
 Job Classification(s) to Work 4/10 Schedule: (Choose all that apply on Job Classification Checklist - Pages 2 & 3)
 *** Do not write in any additional Classification or Counties***

Requestor Information

Name: _____
 Title: _____ Date: _____



- | | |
|---------------------------------|--------------------------------------|
| 1. Albany County | 33. Oneida County |
| 2. Allegany County | 34. Onondaga County |
| 3. Broome County | 35. Ontario County |
| 4. Broome County | 36. Orange County |
| 6. Cattaraugus County | 37. Orleans County |
| 5. Cayuga County | 38. Oswego County |
| 7. Chautauque County | 39. Otsego County |
| 8. Chemung County | 40. Putnam County |
| 9. Chenango County | 41. Queens County |
| 10. Clinton County | 42. Rensselaer County |
| 11. Columbia County | 43. Richmond County (Statens Island) |
| 12. Cortland County | 44. Rockland County |
| 13. Delaware County | 45. Saint Lawrence County |
| 14. Dutchess County | 46. Saratoga County |
| 15. Erie County | 47. Schoharie County |
| 16. Essex County | 48. Schoharie County |
| 17. Franklin County | 49. Schuyler County |
| 18. Fulton County | 50. Seneca County |
| 19. Genesee County | 51. Steuben County |
| 20. Greene County | 52. Suffolk County |
| 21. Hamilton County | 53. Sullivan County |
| 22. Herkimer County | 54. Toga County |
| 23. Jefferson County | 55. Tompkins County |
| 24. Kings County (Brooklyn) | 56. Ulster County |
| 25. Lewis County | 57. Warren County |
| 26. Livingston County | 58. Washington County |
| 27. Madison County | 59. Wayne County |
| 28. Monroe County | 60. Westchester County |
| 29. Montgomery County | 61. Wyoming County |
| 30. Nassau County | 62. Yates County |
| 31. New York County (Manhattan) | |
| 32. Niagara County | |

Job Classification Checklist

(Place a checkmark by all classifications that will be using the 4/10 schedule)

*** Do not write in any additional Classifications or Counties***

Job Classification	County	Grade	Partial Counties	
Carpenter-Building	276B-Nl	7	2, 6	<input type="checkbox"/>
Carpenter-Building	276B-Or	10	6	<input type="checkbox"/>
Carpenter-Building	276B-Bldg	26, 28, 35, 59	61	<input type="checkbox"/>
Carpenter-Building	276B-Gen	19, 32, 37	61	<input type="checkbox"/>
Carpenter-Floor Layers	276B-FL-Ulv	26, 28, 35, 59	61	<input type="checkbox"/>
Carpenter-Heavy & Highway	276H-H-AH	2, 5, 7		<input type="checkbox"/>
Carpenter-Heavy & Highway	276H-H-Brie	1, 5		<input type="checkbox"/>
Carpenter-Heavy & Highway	276HH-Gen	19, 32, 37, 31		<input type="checkbox"/>
Carpenter-Heavy & Highway	276H-H-Jv	23, 23, 35, 59		<input type="checkbox"/>
Carpenter-Residential	276RA'	7	2, 5	<input type="checkbox"/>
Carpenter - Building	277B-Pro	4, 54		<input type="checkbox"/>
Carpenter - Building	277B-Cay	6, 60, 82		<input type="checkbox"/>
Carpenter - Building	277B-CB	8, 12, 49, 51, 56	2	<input type="checkbox"/>
Carpenter - Building	277-BLS	23, 26, 45		<input type="checkbox"/>
Carpenter - Building	277 omh	22, 27, 33		<input type="checkbox"/>
Carpenter - Building	277 On	36		<input type="checkbox"/>
Carpenter - Building	277 Os	38		<input type="checkbox"/>
Carpenter - Building	277CDO Bldg	9, 12, 36		<input type="checkbox"/>
Carpenter - Heavy & Highway	277COC HH	9, 18, 39		<input type="checkbox"/>
Carpenter - Heavy & Highway	277HH-Bldg	4, 6, 9, 12, 49, 60, 51, 54, 55, 62		<input type="checkbox"/>
Carpenter - Heavy & Highway	277 one-da	22, 23, 25, 27, 33, 34, 38, 45		<input type="checkbox"/>
Carpenter - Building	291B-Nlb	1, 16, 20, 28, 42, 47, 45		<input type="checkbox"/>
Carpenter - Building	291B-Cl	10, 16, 17		<input type="checkbox"/>
Carpenter - Building	291B-I ars	21, 67, 58		<input type="checkbox"/>
Carpenter - Building	291B-Sar	48		<input type="checkbox"/>
Carpenter - Heavy & Highway	291HH-A3b	1, 10, 16, 17, 10, 23, 21, 29, 42, 46, 47, 48, 67, 63		<input type="checkbox"/>
Electrician	2511	30, 52		<input type="checkbox"/>
Electrician-Telecom Cable Splicer	43	13, 22, 27, 33, 38	3, 9, 34, 39, 55, 59	<input type="checkbox"/>

Job Classification Checklist

(Place a checkmark by all classifications that will be using the 4/10 schedule)

*** Do not write in any additional Classifications or Counties***

Electrician	86	26, 28	19, 36, 37, 56, 61	<input type="checkbox"/>
Electrician	843 Teledata and 840 Z	82	6, 24, 35, 50, 69	<input type="checkbox"/>
Electrician	910	10, 16, 17, 23, 25, 46		<input type="checkbox"/>
Electrician Lineman	1049 Uni Gas	30, 41, 52		<input type="checkbox"/>
Electrician Lineman	1249a	1, 2, 4, 6, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 32, 33, 34, 36, 38, 37, 38, 39, 40, 42, 44, 46, 47, 48, 49, 50, 45, 51, 53, 54, 55, 53, 57, 60, 59, 61, 62		<input type="checkbox"/>
Electrician Lineman	1249a West	60		<input type="checkbox"/>
Electrician Lineman	1249a-LT	1, 2, 4, 5, 6, 7, 8, 9, 10, 12, 13, 15, 16, 17, 16, 18, 20, 21, 22, 23, 25, 26, 27, 28, 29, 32, 33, 34, 35, 37, 38, 39, 42, 43, 47, 46, 49, 50, 45, 51, 53, 54, 55, 57, 58, 59, 61, 62		<input type="checkbox"/>
Electrician Lineman	1249a West	11, 14, 36, 43, 44, 58		<input type="checkbox"/>
Electrician Lineman	1249a West	60		<input type="checkbox"/>
Elevator Constructor	138	1, 14, 20, 26, 40, 53, 56	18, 44, 50	<input type="checkbox"/>
Elevator Constructor	14	2, 5, 7, 15, 19, 32, 37, 61		<input type="checkbox"/>
Elevator Constructor	27	8, 25, 28, 35, 45, 50, 61, 66, 62		<input type="checkbox"/>
Elevator Constructor	35	1, 10, 16, 18, 21, 22, 29, 39, 42, 43, 47, 48, 57, 63		<input type="checkbox"/>
Elevator Constructor	62.1	4, 6, 9, 12, 23, 26, 27, 33, 34, 38, 45, 51, 55	13	<input type="checkbox"/>
Glazier	201	1, 10, 11, 16, 17, 19, 20, 21, 29, 42, 46, 47, 48, 57, 65		<input type="checkbox"/>
Glazier	680r	2, 5, 7, 15, 19, 32, 37, 61		<input type="checkbox"/>
Glazier	680	2, 5, 7, 15, 19, 32, 37, 61		<input type="checkbox"/>
Glazier	677.1	23, 25, 26, 28, 35, 45, 50, 59, 62		<input type="checkbox"/>
Glazier	677.2	6, 12, 22, 27, 33, 34, 38		<input type="checkbox"/>
Glazier	677.3	4, 6, 9, 13, 33, 49, 51, 54, 55		<input type="checkbox"/>
Glazier	677.2	8, 12, 22, 27, 33, 34, 38		<input type="checkbox"/>
Insulator - Heat & Frost	90-Syracuse	4, 5, 8, 9, 12, 22, 23, 25, 27, 33, 34, 35, 53, 49, 50, 45, 54, 55		<input type="checkbox"/>
Laborers - Building	705(?)	4	9, 13, 54	<input type="checkbox"/>

Job Classification Checklist

(Place a checkmark by all classifications that will be using the 4/10 schedule)

*** Do not write in any additional Classifications or Counties***

Job Classification	Agency	County	Counties	
Laborers - Building	735B-CS	8, 51	49	<input type="checkbox"/>
Laborers - Heavy & Highway	7-785b	12, 55	40, 54	<input type="checkbox"/>
Laborers - Heavy & Highway	785(7)	4	9, 13, 54	<input type="checkbox"/>
Laborer - Heavy & Highway	788' 11-03	8, 51	49	<input type="checkbox"/>
Laborer - Building	821b	2, 7	5	<input type="checkbox"/>
Laborer - Residential	821r	2, 7	5	<input type="checkbox"/>
Mason - Building	3B-Co-Z2	8, 49, 51	2	<input type="checkbox"/>
Mason - Building	3B-Z1	19, 28, 29, 35, 50, 53, 61, 62		<input type="checkbox"/>
Mason - Residential	3D-Z1R	19, 28, 29, 35, 50, 53, 61, 62		<input type="checkbox"/>
Mason - Building	3B-Bing-Z2	4, 6, 13, 39, 54		<input type="checkbox"/>
Mason - Building	3B-h-Z2	12, 55		<input type="checkbox"/>
Mason - Building	3B-Jam-Z2	7	2, 5	<input type="checkbox"/>
Mason - Residential	3B-Jam-Z2R	2, 4, 8, 7, 9, 12, 39, 13, 49, 51, 54, 55	5	<input type="checkbox"/>
Mason - Building	3B-Z3	15, 32	5	<input type="checkbox"/>
Mason - Building	3B-Z3 Orleans	37		<input type="checkbox"/>
Mason - Residential	3D-Z3R	15, 32	5	<input type="checkbox"/>
Mason - Residential	3D-Z3R Orleans	37		<input type="checkbox"/>
Mason - Heavy & Highway	3h	2, 4, 8, 7, 9, 12, 13, 19, 39, 29, 35, 37, 38, 49, 50, 51, 54, 55, 59, 61, 62	5, 15, 32	<input type="checkbox"/>
Mason - Tile Finisher	3TF-Z1	19, 28, 29, 35, 50, 53, 61, 62		<input type="checkbox"/>
Mason - Tile Finisher	3TF-Z2	2, 4, 6, 7, 9, 12, 13, 39, 49, 51, 54, 55	5	<input type="checkbox"/>
Mason - Tile Finisher	3TF-Z3	15, 32, 37	5	<input type="checkbox"/>
Mason - Tile Finisher - Residential	3TF-Z1R	19, 28, 29, 35, 50, 53, 61, 62		<input type="checkbox"/>
Mason - Tile Finisher - Residential	3TF-Z2R	2, 4, 7, 9, 12, 13, 39, 49, 51, 54, 55	5	<input type="checkbox"/>
Mason - Tile Finisher - Residential	3TF-Z1R	15, 32, 37	5	<input type="checkbox"/>
Mason - Tile Setter	3TS-Z1	13, 28, 29, 35, 50, 53, 61, 32		<input type="checkbox"/>

Job Classification Checklist

(Place a checkmark by all classifications that will be using the 4/10 schedule)

*** Do not write in any additional classifications or Counties ***

Mason-Tile Setter Residential	3TS2-R	19, 20, 28, 35, 60, 61, 62		<input type="checkbox"/>
Mason-Tile Setter	3TS22	2, 4, 7, 8, 9, 12, 13, 30, 49, 51, 64, 65	5	<input type="checkbox"/>
Mason-Tile Setter Residential	3TS22-R	2, 4, 7, 8, 9, 12, 13, 30, 49, 51, 64, 65	5	<input type="checkbox"/>
Mason-Tile Setter	3TS23	15, 32, 37	5	<input type="checkbox"/>
Mason-Tile Setter Residential	3TS23-R	15, 32, 37	5	<input type="checkbox"/>
Mason - Building/Heavy & Highway	760	3, 24, 30, 31, 41, 43, 52		<input type="checkbox"/>
Operating Engineer - Heavy & Highway	1371-WH	40, 60	14	<input type="checkbox"/>
Operating Engineer - Heavy & Highway	832H	2, 3, 26, 26, 35, 48, 61, 69, 62	19	<input type="checkbox"/>
Painter	160	28, 33, 32	26, 35	<input type="checkbox"/>
Painter	173 B	4, 9, 54		<input type="checkbox"/>
Painter	173 E	6, 49	51	<input type="checkbox"/>
Painter	173 I	12, 55		<input type="checkbox"/>
Painter	173 O	15, 39		<input type="checkbox"/>
Painter	31	6, 22, 27, 33, 34, 50	25, 35, 38	<input type="checkbox"/>
Painter	35 O		38	<input type="checkbox"/>
Painter	66 W	23, 45	28	<input type="checkbox"/>
Painter	4-BM, N/A, Clean	2, 15, 19, 32, 37, 61	6, 7, 26, 31	<input type="checkbox"/>
Painter	4-Jayestown		6, 7	<input type="checkbox"/>
Sheetmetal Worker	46	38, 28, 35, 50, 69, 62		<input type="checkbox"/>
Sheetmetal Worker	46r	28, 28, 35, 50, 69, 62		<input type="checkbox"/>
Technicians-Heavy & Highway	284h/h	1, 11, 18, 20, 29, 42, 46, 47, 48, 59	57	<input type="checkbox"/>
Technicians-Heavy & Highway	317h/h	8, 12, 30, 51, 55, 62	2	<input type="checkbox"/>
Technicians-Building/Heavy & Highway	4E6	40, 60		<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

Introduction to the Prevailing Rate Schedule

Information About Prevailing Rate Schedule

This information is provided to assist you in the interpretation of particular requirements for each classification of worker contained in the attached Schedule of Prevailing Rates.

Classification

It is the duty of the Commissioner of Labor to make the proper classification of workers taking into account whether the work is heavy and highway, building, sewer and water, tunnel work, or residential, and to make a determination of wages and supplements to be paid or provided. It is the responsibility of the public work contractor to use the proper rate. If there is a question as to the proper classification to be used, please call the district office located nearest the project. District office locations and phone numbers are listed below.

Prevailing Wage Schedules are issued separately for "General Construction Projects" and "Residential Construction Projects" on a county-by-county basis.

General Construction Rates apply to projects such as: Buildings, Heavy & Highway, and Tunnel and Water & Sewer rates.

Residential Construction Rates generally apply to construction, reconstruction, repair, alteration, or demolition of one family, two family, row housing, or rental type units intended for residential use.

Some rates listed in the Residential Construction Rate Schedule have a very limited applicability listed along with the rate. Rates for occupations or locations not shown on the residential schedule must be obtained from the General Construction Rate Schedule. Please contact the local Bureau of Public Work office before using Residential Rate Schedules, to ensure that the project meets the required criteria.

Paid Holidays

Paid Holidays are days for which an eligible employee receives a regular day's pay, but is not required to perform work. If an employee works on a day listed as a paid holiday, this remuneration is in addition to payment of the required prevailing rate for the work actually performed.

Overtime

At a minimum, all work performed on a public work project in excess of eight hours in any one day or more than five days in any workweek is overtime. However, the specific overtime requirements for each trade or occupation on a public work project may differ. Specific overtime requirements for each trade or occupation are contained in the prevailing rate schedules.

Overtime holiday pay is the premium pay that is required for work performed on specified holidays. It is only required where the employee actually performs work on such holidays.

The applicable holidays are listed under HOLIDAYS: OVERTIME. The required rate of pay for these covered holidays can be found in the OVERTIME PAY section listings for each classification.

Supplemental Benefits

Particular attention should be given to the supplemental benefit requirements. In most cases the payment or provision of supplements is for each hour worked (noted in the schedule as "Per hour worked"). Some classifications require the payment or provision of supplements for each hour paid (noted in the schedule as "Per hour paid"), which require supplements to be paid or provided at a premium rate for premium hours worked. Some classifications may also require the payment or provision of supplements for paid holidays on which no work is performed.

Effective Dates

When you review the schedule for a particular occupation, your attention should be directed to the dates above the column of rates. These are the dates for which a given set of rates is effective. This rate listed is valid until the next effective rate change or until the new annual determination which takes effect on July 1 of each year. All contractors and subcontractors are required to pay the current prevailing rates of wages and supplements. If you have any questions please contact the Bureau of Public Work or visit the New York State Department of Labor website (www.labor.state.ny.us) for current wage rate information.

Apprentice Training Ratios

The following are the allowable ratios of registered Apprentices to Journeyworkers.

For example, the ratio 1:1,1:3 indicates the allowable initial ratio is one Apprentice to one Journeyworker. The Journeyworker must be in place on the project before an Apprentice is allowed. Then three additional Journeyworkers are needed before a second Apprentice is allowed. The last ratio repeats indefinitely. Therefore, three more Journeyworkers must be present before a third Apprentice can be hired, and so on.

Please call Apprentice Training Central Office at (516) 457-6020 if you have any questions.

Title (Trade)	Ratio
Boilermaker (Construction)	1:1,1:1
Boilermaker (Shop)	1:1,1:3
Carpenter (Legal I&H, Pile Driver/Dockbuilder)	1:1,1:4
Carpenter (Residential)	1:1,1:3

Electrical (Outside) Lineman	1:1,1:2
Electrician (Inside)	1:1,1:3
Elevator/Escalator Construction & Modernizer	1:1,1:2
Glazier	1:1,1:3
Insulation & Asbestos Worker	1:1,1:3
Iron Worker	1:1,1:3
Laborer	1:1,1:3
Mason	1:1,1:4
Millwright	1:1,1:4
Oil Engineer	1:1,1:5
Painter	1:1,1:3
Plumber & Steamfitter	1:1,1:3
Roofer	1:1,1:2
Sheet Metal Worker	1:1,1:3
Sprinkler Fitter	1:1,1:2

If you have any questions concerning the attached schedule or would like additional information, please contact the nearest BUREAU of PUBLIC WORK District Office or write to:

New York State Department of Labor
 Bureau of Public Work
 State Office Campus, Bldg. 12
 Albany, NY 12240

District Office Locations:	Telephone #	FAX #
Bureau of Public Work - Albany	518-457-2744	518-455-0240
Bureau of Public Work - Binghamton	607-721-5005	607-721-8004
Bureau of Public Work - Buffalo	716-847-7159	716-847-7850
Bureau of Public Work - Garden City	516-228-8916	516-784-3518
Bureau of Public Work - Newburgh	845-565-5287	845-568-6332
Bureau of Public Work - New York City	212-832-2419	212-776-3579
Bureau of Public Work - Poughkeepsie	845-507-4882	845-567-4802
Bureau of Public Work - Rochester	585-268-4506	585-258-4708
Bureau of Public Work - Syracuse	315-428-4066	315-428-4071
Bureau of Public Work - Utica	315-793-2014	315-798-2514
Bureau of Public Work - White Plains	914-997-9507	914-997-9523
Bureau of Public Work - Central Office	518-457-5589	518-455-1870

Nassau County General Construction

Asbestos Worker 08/01/2015

JOB DESCRIPTION Asbestos Worker DISTRICT 4

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES
 Per Hour: 07/01/2015 08/01/2015
 Additional

Asbestos Worker \$ 45.00 \$ 0.50/Hr
 Removal & Abatement Only*

NOTE: *On Mechanical Systems that are NOT to be SCRAPPED.

SUPPLEMENTAL BENEFITS
 Per Hour:

Asbestos Worker \$ 7.20
 Removal & Abatement Only

OVERTIME PAY
 See (B, B2, *E, J) on OVERTIME PAGE
 Hours worked on Saturdays are paid at time and one half only if forty hours have been worked during the week.

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (B, B, E) on HOLIDAY PAGE

REGISTERED APPRENTICES
 Apprentice Removal & Abatement Only:
 1500 hour terms at the following percentage of Journeyman's rates.

	1st	2nd	3rd	4th
	75%	80%	85%	88%

SUPPLEMENTAL BENEFIT
 Per Hour:

Apprentice \$ 7.20
 Removal & Abatement 4-12a - Removal Only

Boilermaker 08/01/2015

JOB DESCRIPTION Boilermaker DISTRICT 4

ENTIRE COUNTIES
 Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, Westchester

WAGES
 Per Hour: 07/01/2015

Boilermaker \$ 51.56
 Repairs & Renovations \$ 51.56

SUPPLEMENTAL BENEFITS
 Per Hour: 07/01/2015

Boilermaker 32% of hourly
 Repairs & Renovations Wage Paid
 + \$28.18

NOTE: "Hourly Wage Paid" shall include any and all premium(s) pay.

Repairs & Renovation includes replacement of parts and repairs & renovation of existing unit.

OVERTIME PAY
 OVERTIME PAY
 See (D, G) on OVERTIME PAGE
 HOLIDAY

Paid: See (8, 16, 23, 24) on HOLIDAY PAGE
 Overtime: See (5, 6, 11, 12, 15, 25) on HOLIDAY PAGE
 NOTE: Employee must work in pay week to receive Holiday Pay.
 **Bulldozer gets 4 times the hourly wage rate for working on Labor Day.
 ***Repairs & Renovation see (R,E,Q) on HOLIDAY PAGE

HOLIDAY

REGISTERED APPRENTICES

Wage per hour:

(1/2) Year Terms at the following percentage of Dollarmaker's Wage

1st	2nd	3rd	4th	5th	6th	7th	8th
65%	68%	70%	75%	80%	85%	90%	95%

Supplemental Benefits Per Hour

Apprentice(s) 07/01/2015
 32% of Hourly
 Wage Paid Plus
 Amount Below

1st Term	\$ 18.27
2nd Term	20.17
3rd Term	20.85
4th Term	21.80
5th Term	22.85
6th Term	23.49
7th Term	24.35

NOTE: "Hourly Wage Paid" shall include any and all premiums

4-5

Geoploter

08/01/2015

JOB DESCRIPTION Carpenter

DISTRICT 8

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Westchester

PARTIAL COUNTIES

Orange: South of but including the following, Watkiss Mills, Slate Hill, New Hamden, Goshart, Blooming Grove, Mountainville, east to the Hudson River.

Pulmon: South of but including the following, Cold Spring, Tompkins Corner, Mahopac, Croton Falls, east to Connecticut border.

Suffolk: West of Port Jefferson and Patchogue Road to Route 112 to the Atlantic Ocean.

WAGES

Per hour: 07/01/2015 10/17/2015

Core Drilling: Driller	\$ 35.82	+ Additional \$ 2.21
Driller Helper	\$ 29.44	+ Additional \$ 1.04

Additional Helpers: One (1) year increments. This is not an apprenticeship for Driller

Helper 1st year	\$ 23.61
Helper 2nd year	23.55
Helper 3rd year	26.50
Helper 4th year	26.44

Note: Hazardous Waste Pay Differential:

For Level C, an additional 10% above wage rate per hour

For Level B, an additional 10% above wage rate per hour

For Level A, an additional 10% above wage rate per hour

Note: When required to work on water: an additional \$ 0.50 per hour.

SUPPLEMENTAL BENEFITS

Per hour paid: 07/01/2015 10/17/2015

Driller and All Helpers	\$ 22.75	\$ 22.75
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OVERTIME PAY

OVERTIME: See (B,E,K*,P,R*) on OVERTIME PAGE.
HOLIDAY
Paid: See (5,6) on HOLIDAY PAGE.
Overtime: * See (5,6) on HOLIDAY PAGE.
 ** See (5,10,11,13) on HOLIDAY PAGE.

8-1536-CurtDriller

Carpenter 08/01/2015

JOB DESCRIPTION Carpenter **DISTRICT** U

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES

Per hour: 07/01/2015

Timekeeper \$43.80

SUPPLEMENTAL BENEFITS

Per hour: 07/01/2016

\$47.05

OVERTIME PAY

See (B, E, E2, F) on OVERTIME PAGE

HOLIDAY

Paid: See (18,19) on HOLIDAY PAGE.

Paid: for 1st & 2nd yr.

Apprentices See (5,6,11,13,16,18,19,25)

Overtime: See (5,6,11,13,16,18,19,25) on HOLIDAY PAGE.

REGISTERED APPRENTICES

Wages per hour:

(1) year terms:

1st	2nd	3rd	4th
\$18.24	\$22.00	\$28.04	\$30.48

Supplemental benefits per hour:

\$ 31.92

8-1536 Trn

Carpenter 08/01/2016

JOB DESCRIPTION Carpenter **DISTRICT** B

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, Westchester

WAGES

Per hour: 07/01/2016

Building
 Mfr Wright \$ 49.44
 + Additions \$ 2.10

SUPPLEMENTAL BENEFITS

Per hour paid:
 Mfr Wright \$ 80.49

OVERTIME PAY

See (B, E, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (18,19) on HOLIDAY PAGE.

Overtime: See (5,6,8,11,13,18,19,25) on HOLIDAY PAGE.

* must show up to work

REGISTERED APPLICANTICES

Wages per hour is Percentage of Journeyworkers wages

(1) year terms:

1st.	2nd.	3rd.	4th.
\$26.64	\$31.49	\$36.33	\$48.22

Supplemental benefits per hour paid:

(*) year terms:

1st.	2nd.	3rd.	4th.
\$32.91	\$39.13	\$40.63	\$46.21

8-740 1

Carpenter

08/01/2016

JOB DESCRIPTION Carpenter

DISTRICT a

ENTIRE COUNTIES

Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Westchester

WAGES

Per Hour: 07/01/2015

Marine Construction:

Marine Diver	\$ 81.30
Marine Tender	43.45

SUPPLEMENTAL BENEFITS

Per Hour Paid:

Journeyman \$ 48.00

OVERTIME PAY

See (B, E, Z, Q) on OVERTIME PAGE

HOLIDAY

Paid:

See (16, 18) on HOLIDAY PAGE

Overtime:

See (5, 6, 10, 11, 13, 15, 18, 19) on HOLIDAY PAGE

0-1456MC

Carpenter

08/01/2016

JOB DESCRIPTION Carpenter

DISTRICT a

ENTIRE COUNTIES

Bronx, Dutchess, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, Westchester

PARTIAL COUNTIES

Orange: The area lying on Southern side of Orange County demarcated by a line drawn from the Bear Mountain Bridge continuing east to the Bear Mountain Circle, continue North on RW to the town of Cornwall where County Road 107 (also known as Quaker Rd) crosses under SW, then east on County Road 107 to Route 92, then north on Route 92 to Orrs Mills Rd, then west on Orrs Mills Rd to Route 84, continue west and south on Route 84 to the Town of Chester, to the intersection of Kings Highway, continue south on Kings Highway to Bellville Rd, west on Bellville Rd to Bellville Lakes Rd, then south on Bellville Lakes Rd to Kern Rd, southeast on Kern Rd to Route 17A, then north and southeast along Route 17A to Route 210, then follow Route 210 to NJ border.

WAGES

Per hour: 07/01/2015

Carpet/Resilient

Floor Coverer \$ 49.88

INCLUDES HANDLING & INSTALLATION OF ARTIFICIAL TURF AND SIMILAR TURF INDOORS/OUTDOORS.

SUPPLEMENTAL BENEFITS

Per hour paid:

Floor Coverer \$ 44.07

OVERTIME PAY

See (B, E, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (18, 19) on HOLIDAY PAGE.

Paid for 1st & 2nd yr.

Apprentices See (5, 8, 11, 13, 16, 18, 19, 25)

Overtime: See (5, 8, 11, 13, 16, 18, 19, 25) on HOLIDAY PAGE.

REGISTERED APPRENTICES

Wage per hour is Percentage of Journeyworkers Wage

(1) year term:

	1st.	2nd.	3rd.	4th.
	\$19.95	\$24.94	\$32.42	\$39.90

Supplemental benefits per hour:

\$ 30.22

3-2287

Carpenter

06/01/2015

JOB DESCRIPTION Carpenter

DISTRICT B

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Rockland, Suffolk, Westchester

WAGES

Per hour 07/01/2015

Prtdriver \$ 50.50

Dockbuilder \$ 50.50

SUPPLEMENTAL BENEFITS

Per hour paid

Journeyworker \$ 47.03

OVERTIME PAY

See (B, E2, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (18, 19) on HOLIDAY PAGE.

Paid for 1st & 2nd yr.

Apprentices See (5, 8, 11, 13, 16, 18, 19, 25)

Overtime: See (5, 8, 11, 13, 16, 18, 19, 25) on HOLIDAY PAGE.

REGISTERED APPRENTICES

Wages per hour

(1) year term:

	1st	2nd	3rd	4th
	\$20.20	\$25.26	\$32.85	\$40.40

Supplemental benefits per hour:

Apprentices \$ 31.90

0-1556 D1

Carpenter

06/01/2015

JOB DESCRIPTION Carpenter

DISTRICT B

ENTIRE COUNTIES

Bronx, Kings, New York, Putnam, Queens, Richmond

PARTIAL COUNTIES

Nassau: That portion of the county that lies west of Seaford Creek and south of the Southern State Parkway.

WAGES

Per hour: 07/01/2015

Show Exhibit/
 Carpenter \$ 50.50

SUPPLEMENTAL BENEFITS
 Per hour paid:

Show Exhibit/
 Carpenter \$ 45.28

OVERTIME PAY
 See (B, E, Q) on OVERTIME PAGE

HOLIDAY
 Paid: See (18,19) on HOLIDAY PAGE.

Paid for 1st & 2nd yr.
 Apprentices See (5,6,11,13,16,19,25)

Overtime: See (5,6,11,13,16,18,19,25) on HOLIDAY PAGE.

REGISTERED APPRENTICES

Wages per hour is Percentage of Journeyworkers Wage

(1) year terms:

	1st.	2nd.	3rd.	4th.
	\$20.20	\$25.25	\$32.03	\$40.40

Supplemental benefits per hour:
 Apprentices \$ 31.52

6-EXHIB

Carpenter - Building

07/01/2016

JOB DESCRIPTION Carpenter - Building

DISTRICT 5

ENTIRE COUNTIES

Bronx, Kings, New York, Queens, Richmond

PARTIAL COUNTIES

Nassau: Work performed south of the Southern State Parkway and west of the Seaford Creek.

WAGES

Per hour: 07/01/2015 07/01/2016

Building:
 Carpenter \$ 50.50 Additional \$ 2.40

SUPPLEMENTAL BENEFITS
 Per hour paid:

Building:
 Carpenter \$ 45.85

OVERTIME PAY
 See (B, E, E2, Q) on OVERTIME PAGE

HOLIDAY
 Paid: See (18,19) on HOLIDAY PAGE.

Paid for 1st & 2nd yr.
 Apprentices See (5,6,11,13,16,18,19,25)

Overtime: See (5,6,11,13,16,18,19,25) on HOLIDAY PAGE.

REGISTERED APPRENTICES

Wage per hour:

(1) year terms:

	1st.	2nd.	3rd.	4th.
Building	\$ 23.20	\$ 28.25	\$ 32.03	\$ 40.40

Supplemental Benefits per hour for all Apprentices:

Building \$ 31.11

8-NYC Bldg

Carpenter - Building / Heavy & Highway

08/01/2016

JOB DESCRIPTION Carpenter - Building / Heavy/Highway

DISTRICT 4

ENTIRE COUNTIES

Suffolk

PARTIAL COUNTIES

Nassau: Work performed "North of Southon State Parkway and East of Seaford Creek"

WAGES

Per Hour: 07/01/2015

Carpenter (Building) \$ 40.62

Carpenter (Heavy Highway) \$ 40.62

*NOTE: ADD 15% to straight time hourly wage for NEW YORK STATE D.O.T. and other GOVERNMENTAL MANDATED Off-Shift Work.

SUPPLEMENTAL BENEFITS

Per Hour:

Both Carpenter

Categories \$ 33.87

OVERTIME PAY

See (3, E, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (1) on HOLIDAY PAGE

Overtime: See (3, 6, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

One(1) Year Terms at the following:

Per Hour:

1st	2nd	3rd	4th
\$ 19.06	\$ 25.16	\$ 29.22	\$ 33.04

Supplemental Benefits

Per Hour:

All Terms: \$ 17.85

4-Reg. County Nass/Suff

Electrician

08/01/2016

JOB DESCRIPTION Electrician

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

Per Hour: 07/01/2015

Electrician Pump & Tank \$ 40.05

SUPPLEMENTAL BENEFITS

Per Hour:

Electrician

Pump & Tank 65.25% of Wage Paid

*Wage Paid includes any and all Premiums

OVERTIME PAY

See (B, E, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 15, 28) on HOLIDAY PAGE

REGISTERED APPRENTICES

1 Year Terms at the Following:

Per Hour:

1st Term	\$ 12.02
2nd Term	\$ 16.02
3rd Term	\$ 20.02
4th Term	\$ 24.03
5th Term	\$ 28.04
6th Term	\$ 34.04

SUPPLEMENTAL BENEFITS

Per Hour:

All Terms 65.25%
 of *Wage
 Paid

*Wage Paid includes any and all Premiums

4-25 Pough & York

Electrician 03/01/2016

JOB DESCRIPTION Electrician DISTRICT 1
ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour: 07/01/2015

Electrician/Wireman	\$ 50.45
HVAC Controls	50.45
Fire Alarms	50.45

SUPPLEMENTAL BENEFITS

Per Hour: 07/01/2015

Electrician/Wireman 15% of Hourly
 (all categories) Wage Paid + \$23.07

NOTE: "Hourly Wage Paid" shall include any and all premium(s)

OVERTIME PAY

See (B, E, E2, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 15, 16, 28) on HOLIDAY PAGE

REGISTERED APPRENTICES

One(1) Year Terms at the following Percentage of Journeyman(s) Wage:

Apprentices with start dates PRIOR TO 10/02/2010:

4th	5th	6th
50%	60%	70%

Apprentices with start dates AFTER 10/02/2010:

1st	2nd	3rd	4th	5th	6th
35%	40%	45%	55%	60%	75%

Supplemental Benefits Per Hour:

Apprentices Hired
 Prior to 10/02/2010

Apprentices Hired
 After 10/02/2010
 Page 36

	07/01/2015	07/01/2016
1st	0% + \$0.00	3% + \$2.71
2nd	0% + \$0.00	8% + \$4.08
3rd	0% + \$0.00	9% + \$4.95
4th	18% + \$11.32	10% + \$5.99
5th	18% + \$12.83	13% + \$10.64
6th	18% + \$15.14	14% + \$12.05

NOTE: Percentages are on "Hourly Wage Paid"
 NOTE: "Hourly Wage Paid" shall include any and all premium(s).

4-25

Electrician 08/01/2015

JOB DESCRIPTION Electrician DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour:	07/01/2015	04/30/2016
Telephone and Integrated Tele-Data System Electrician	\$ 36.56	\$ 36.76

This rate classification applies to ALL Voice, Data & Video work, Excluding Fire Alarm Systems and Energy Management Systems (HVAC Controls), in those cases the regular Electrician rate applies. To ensure proper use of this rate please call Nassau Offices at (516)226-3515 or Suffolk Offices at (631)637-4622.

SUPPLEMENTAL BENEFITS

Per Hour:

Tele-Data Electrician	18% of Hourly Wage Paid = \$16.56	16% Of Hourly Wage Paid = \$17.33
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NOTE: "Hourly Wage Paid" shall include any and all premium(s) pay

OVERTIME PAY

See (B, E, E2, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (I) on HOLIDAY PAGE
 Overtime: See (B, E, E2, R, R2, R3, R4) on HOLIDAY PAGE

4-2510a

Electrician 08/01/2015

JOB DESCRIPTION Electrician DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour:	07/01/2015	04/04/2016
Tree Trimmer/Removal Line Clearance Specialist	\$ 30.04	\$31.77
Ground Man (Not to Exceed 20% of Work Force)	\$16.00	\$19.03

These rates apply to all tree trimming/removal contracts including but not limited to "Electricity Line Clearance" Long Island Railroad Right of Ways.

All tree removal for heavy-highway or building construction contracts MUST use Heavy Highway Laborer and Operating Engineer classifications.

SUPPLEMENTAL BENEFITS

Per Hour:	07/01/2015	04/04/2016
Tree Trimmer/Remover Line Clearance Specialist and Ground Man	19.25% of Hourly Wage Paid = \$8.76	19.50% of Hourly Wage Paid = \$9.61

NOTE: "Hourly Wage Paid" shall include any and all premium(s) paid

OVERTIME PAY
 See (B, E, P, S) on OVERTIME PAGE

HOLIDAY
 Paid: See (5, 6, 8, 16, 23, 24, 25, 26) on HOLIDAY PAGE
 Overtime: See (5, 6, 8, 16, 23, 24, 25, 26) on HOLIDAY PAGE

4-104b/Free

Electrician 06/01/2015

JOB DESCRIPTION Electrician DISTRICT 4
 ENTIRE COUNTIES
 Nassau, Suffolk

Per Hour:	07/01/2015	04/30/2016
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Electrician Electrical Maintenance "PLEASE NOTE"	\$ 41.45	\$ 42.20
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Applicable to "EXISTING ELECTRICAL SYSTEMS" including, but not limited to "TRAFFIC SIGNALS & STREET LIGHTING". Not used for additions.

Four (4), ten (10) hour days may be worked at straight time during a week, Monday thru Thursday, with one-half (1/2) hour allowed for a lunch period.

NOTE - In order to use the '4 Day/10 Hour Work Schedule,' you must submit an 'Employer Registration for Use of 4 Day/10 Hour Work Schedule,' (Form PW30R; additionally, there must be a dispensation of hours in place on the project.

SUPPLEMENTAL BENEFITS

Per Hour:		
Electrician	12% of Hourly Wage Paid = \$ 15.47	12% of Hourly Wage Paid = \$ 16.03

NOTE: "Hourly Wage Paid" shall include any and all premium(s) pay

OVERTIME PAY
 See (B, E, K, P) on OVERTIME PAGE

HOLIDAY
 Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 15, 16, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES
 One(1) Year Term(s) at the following Percentage
 of Journeyman(s) Wage:

1st	2nd	3rd	4th	5th	6th
40%	50%	60%	70%	80%	90%

Supplemental Benefits:

	Apprentices Hired Prior to 04/26/2014		Apprentices Hired After 04/26/2014	
	07/01/2015	04/30/2016	07/01/2015	04/30/2016
1st	12% + \$9.80	12% + \$9.90	3% + \$3.50	3% + \$3.50
2nd	12% + \$10.79	12% + \$10.79	8% + \$4.04	8% + \$4.04
3rd	12% + \$11.70	12% + \$11.70	9% + \$5.06	9% + \$5.06
4th	12% + \$12.59	12% + \$12.69	10% + \$6.81	10% + \$6.81
5th	12% + \$13.48	12% + \$13.48	11% + \$10.76	11% + \$10.76
6th	12% + \$13.36	12% + \$13.36	DNA	DNA

NOTE: Percentages are on "Hourly Wage Paid"

NOTE: "Hourly Wage Paid" shall include any and all premium(s) pay

4-25-11

Electrician Lineman

06/01/2015

JOB DESCRIPTION Electrician Linemen

DISTRICT 4

ENTIRE COUNTIES
Nassau, Queens, Suffolk

WAGES

For Utility Distribution & Transmission Line Construction:
Per Hour 07/01/2015

Lineman/Splicer	\$ 80.76
Mechanical	44.18
Heavy Equip. Operator	40.81
Groundman	30.43
Paigman	22.84

For Natural Gasline Construction:

Per Hour:	07/01/2015	06/01/2016
Journeyman U.G.Mech.	\$ 42.69	\$ 44.08

Four (4) Ten (10) hour days may be worked at straight time during a week, Monday thru Thursday.

NOTE - In order to use the '4 Day/10 Hour Work Schedule,' you must submit an 'Employer Registration for Use of 4 Day/10 Hour Work Schedule,' form PWS03; additionally, there must be a dispensation of hours in place on the project.

SUPPLEMENTAL BENEFITS

Per Hour:

Utility Distribution & Transmission Line Construction:

07/01/2015

All Classifications 31% of Hourly
Wage Paid +
\$ 11.36

NOTE: "Hourly Wage Paid" shall include any and all premium(s) pay

Natural Gasline Construction:

Per Hour:	07/01/2015	06/01/2016
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Journeyman U.G.Mech.	26% of Hourly Wage Paid + \$11.16	26% of Hourly Wage Paid + \$11.96
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OVERTIME PAY

See (B, E, C) on OVERTIME PAGE

OVERTIME for Natural Gas Mechanics(B,G,P)

HOLIDAY

Paid: See (1) on HOLIDAY PAGE

Overtime: See (5, 6, 8, 16, 23, 25, 23) on HOLIDAY PAGE

Same as Above for natural Gas Mechanic.

REGISTERED APPRENTICES

1000 hour Term: at the following Percentage of Journeyman's Wage.
(Lineman Only)

1st	2nd	3rd	4th	5th	6th	7th
60%	65%	70%	76%	80%	86%	90%

SUPPLEMENTAL BENEFIT: 07/01/2015

All Terms 31% of Hourly
Wage Paid +
\$11.36

4-248 LHM/CUS

Elevator Constructor

08/01/2015

JOB DESCRIPTION Elevator Constructor

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

PARTIAL COUNTIES

Rockland: Entire County except for the Township of Stony Point

Westchester: Entire County except for the Townships of Bedford, Lewisboro, Cortland, Mt. Kisco, North Salem, Pound Ridge, Somers and Yorktown.

WAGES

Per Hour:

	07/01/2015	03/17/2016
Elevator Constructor	\$ 59.55	\$ 60.96

Modernization & Service/Repair

	46.92	47.91
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SUPPLEMENTAL BENEFITS
Per Hour

Elevator Constructor	\$ 38.17	\$ 39.36
Modernization & Service/Repair	34.21	35.07

OVERTIME PAY

Constructor, See (D, M, T) on OVERTIME PAGE.

Modern./Service See (B, F, S) on OVERTIME PAGE.

HOLIDAY

Paid:

See (5, 6, 8, 11, 15, 16, 25) on HOLIDAY PAGE

Overtime:

See (9, 6, 8, 11, 15, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

WAGES PER HOUR:

*Note: 1st Term is based on Average wage of Constructor & Modernization.
 Terms 2 thru 4 based on Journeyman's wage of classification Working In.

1 YEAR TERMS:

1st Term 50%	2nd Term 65%	3rd Term 85%	4th Term 75%
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SUPPLEMENTAL BENEFITS

Elevator Constructor

1st Term	\$ 28.03	\$ 30.44
2nd Term	29.73	31.27
3rd Term	30.94	32.51
4th Term	32.16	33.76

Modernization & Service/Repair

1st Term	\$ 28.86	\$ 30.37
2nd Term	29.21	30.73
3rd Term	30.32	31.87
4th Term	31.43	33.02

6-1

Glazier

08/01/2015

JOB DESCRIPTION Glazier

DISTRICT 8

ENTIRE COUNTIES

Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, Westchester

WAGES

Per hour:

	07/01/2015	11/01/2015	05/01/2016
Glazier	\$ 52.20 ¹	\$ 52.80 ²	+Additional

\$ 1.50

Scaffolding \$ 58.20* \$ 68.00* +Additional \$ 1.50

Scaffolding includes swing scaffold, mechanical equipment, scissor jacks, man lifts, booms & buckets 24' or more, but not pipe scaffolding.

Repair & Maintenance \$ 27.30*

Repair & Maintenance- All repair & maintenance work on a particular building, whenever performed, where the total cumulative contract value is under \$121,550

*Additional \$.05 per hour for all regular hours worked

SUPPLEMENTAL BENEFITS

Per hour paid: 07/01/2015 11/01/2015
Journeyworker \$ 23.06 \$ 28.29

Repair & Maintenance 15.14 15.14

OVERTIME PAY

OVERTIME: Premium is applied to the respective base wage only.
See (C, D* E2, O) on OVERTIME PAGE.

* If an optional 8th hour is required to complete the entire project, the same shall be paid at the regular rate of pay. If a 9th hour is worked, then both hours or more (8th & 9th or more) will be paid at double time rate of pay.

For Repair & Maintenance see (B, B2, F, P) on overtime page.

HOLIDAY

Paid: See (I) on HOLIDAY PAGE
Overtime: See (A, B, 16, 25) on HOLIDAY PAGE
Paid for the Repair & Maintenance (5, 8, 16 & 25)

REGISTERED APPRENTICES

Wage per hour:

(1) year terms at the following wage rates:

	07/01/2015	11/01/2015
1st term	\$ 17.70	\$ 17.05
2nd term	25.85	26.20
3rd term	31.18	31.54
4th term	41.71	42.14

Supplemental Benefits:
(Per hour worked)

	07/01/2015	11/01/2015
1st term	\$ 13.84	\$ 13.99
2nd term	18.10	18.26
3rd term	20.87	21.13
4th term	24.32	24.67

B-1281 (DCS NYC)

Insulator - Heat & Frost

08/01/2016

JOB DESCRIPTION Insulator - Heat & Frost

DISTRICT 4

ENTIRE COUNTIES

Brooklyn, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour: 07/01/2015 12/28/2015

Insulators \$ 63.60 Additional \$0.50/Hr
Heat & Frost

SUPPLEMENTAL BENEFITS

Page 49

Per Hour:

Insulators \$ 31.51
 Heat & Frost

OVERTIME PAY
 See (A, D, O, V) on OVERTIME PAGE

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (6, 6, 11, 13, 18, 26, 28) on HOLIDAY PAGE

REGISTERED APPRENTICES
 Wages:

1 year terms at the following percentage of Journeymans Wage

1st	2nd	3rd	4th
40%	60%	70%	80%

Supplemental Benefits per hour:

Apprentice Insulator(s)			
1st	2nd	3rd	4th
\$12.60	\$13.91	\$22.06	\$25.21

4-12

Ironworker

09/01/2016

JOB DESCRIPTION Ironworker

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

PARTIAL COUNTIES

Rockland: Southern section - south of Quiver Road and east of Blue Hill Road.

WAGES

Per hour 07/01/2015

Reinforcing & Metal Lathing \$ 53.83

SUPPLEMENTAL BENEFITS

Per hour paid:

Reinforcing & Metal Lathing \$ 31.86

OVERTIME PAY
 See (b, B1, Q) on OVERTIME PAGE

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (6, 6, 8, 11, 13, 18, 19, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

(1) year terms at the following wage rates:

Wages Per Hour:

1st term	2nd term	3rd term
\$ 23.01	\$ 28.11	\$ 33.21

SUPPLEMENTAL BENEFITS

Per Hour:

1st term	2nd term	3rd term
\$ 13.18	\$ 10.18	\$ 13.18

4-9ERairT

Ironworker

08/01/2016

JOB DESCRIPTION Ironworker

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES

Per hour:	07/01/2015	01/01/2016
Ornamental	\$ 43.20	\$ 1.25/hr
Chain Link Fence	43.20	Additional
Guide Rail Installer	43.20	

SUPPLEMENTAL BENEFITS

Per hour paid:

Journeyworker:	\$ 48.16
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OVERTIME PAY

OVERTIME: See (A*,D1,E**,Q,V) on OVERTIME PAGE.

*Time and one-half shall be paid for all work in excess of seven (7) hours at the end of a work day to a maximum of two (2) hours on any regular work day (6th & 6th hours of work) and double time shall be paid for all work thereafter.

**Time and one-half shall be paid for all work on Saturday up to seven (7) hours and double time shall be paid for all work thereafter.

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

1st term represents first 1-12 months, thereafter (1/2) year terms at the following percentage of Journeyman's wage.

1st	2nd	3rd	4th	5th
50%	55%	60%	70%	80%

Supplemental Benefits per hour paid:

1st Term	\$ 38.87
2nd Term	38.10
3rd Term	39.22
4th Term	41.48
5th Term	43.63

4-580-Or

Ironworker

06/01/2015

JOB DESCRIPTION Ironworker

DISTRICT 9

ENTIRE COUNTIES

Brook, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES

Per hour:	07/01/2015	01/01/2016
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IRONWORKER:

Ironworker Rigger	\$ 53.00	An Additional \$ 1.36
Ironworker Stone Densifier	\$ 56.00	\$ 1.86

SUPPLEMENTAL BENEFITS

Ironworker: \$ 38.57

OVERTIME PAY

See (D, D1, *E, Q, **V) on OVERTIME PAGE

*Time and one-half shall be paid for all work on Saturday up to eight (8) hours and double time shall be paid for all work thereafter.

** Benefits same premium as wages on Holidays only

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 25) on HOLIDAY PAGE

*Work stops at schedule lunch break with full day's pay.

REGISTERED APPRENTICES

Wage per hour:

1/2 year terms at the following hourly wage rate:

	1st	2nd	3rd	4th	5th	6th
07/01/2015	\$20.05	\$22.05	\$30.26	\$44.87	\$50.48	\$60.48

Supplemental benefits:

Per hour paid:	\$18.75	\$19.16	\$20.78	\$25.78	\$28.78	\$28.78
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9-1973/R

Ironworker

08/31/2015

JOB DESCRIPTION Ironworker

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES

PER HOUR:

07/01/2015

Ironworker:

Structural

\$ 48.75

Ridgcos

Machinery

SUPPLEMENTAL BENEFITS

PER HOUR:

Journeyman

\$ 67.03

OVERTIME PAY

See (B), (E), (Q), (V) on OVERTIME PAGE.

* Time and one-half shall be paid for all work in excess of (8) eight hours at the end of a work day to a maximum of two hours on any regular work day (the ninth (9th) and tenth (10th) hours of work) and double time shall be paid for all work thereafter.

** Time and one-half shall be paid for all work on Saturday up to eight (8) hours and double time shall be paid for all work thereafter.

HOLIDAY

Rate:

See (C) on HOLIDAY PAGE

Overtime:

See (E, G, H, I, J) on HOLIDAY PAGE

REGISTERED APPRENTICES

WAGES PER HOUR:

6 month terms at the following rate:

1st	\$ 25.48
2nd	26.00
3rd - 6th	26.68

Supplemental Benefits

PER HOUR:

All Terms

47.32

4-40381-SL

Laborer - Building

08/31/2015

JOB DESCRIPTION Laborer - Building

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

WAGES

Per Hour:

07/01/2015

07/01/2015

Building Laborer

\$ 37.80

Additional

\$ 2.15/hr

Asbestos Abatement Workers

(Re-Roofing Removal see Roofer)

\$6.00

SUPPLEMENTAL BENEFITS

Page 43

Per Hour:

Building Laborer \$ 27.91
 Asbestos Abatement Worker 15.90

OVERTIME PAY
 See (B, E, Q) on OVERTIME PAGE
 See also (I)(j) Fire Watch on OVERTIME PAGE
 Asbestos Worker See (B, H)

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (5, 6, 26) on HOLIDAY PAGE
 Asbestos Worker see (5, 6, 8 & 26)

REGISTERED APPRENTICES
 Regular Hours Work Terms
 Term #1 1 hr to 1000hrs
 Term #2 1000hrs to 2000hrs
 Term #3 2000hrs to 3000hrs
 Term #4 3000hrs to 4000hrs

Wages per hour:
 1st Term \$ 17.40
 2nd Term 20.13
 3rd Term 24.13
 4th Term 23.76

Benefits per hour:
 1st Term \$ 18.15
 2nd Term 20.17
 3rd Term 21.24
 4th Term 21.24

4-85

Laborer - Heavy&Highway

09/01/2016

JOB DESCRIPTION Laborer - Heavy&Highway

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Laborer (Heavy&Highway):
 GROUP # 1: Asphalt Rollers, Concrete Curb Formsetters,
 GROUP # 2: Asphalt Spaders, Roller Boys and Tamper,
 GROUP # 3: Basic Laborer, Power Tool(Jackhammer), Landscape Construction, Traffic Control Personnel(legals)

WAGES PER HOUR:

	07/01/2015	09/01/2016
GROUP # 1		
Total Wage Paid	\$ 48.79	Additional
Base Wage	41.17	\$2.65
GROUP # 2		
Total Wage Paid	\$ 45.57	Additional
Base Wage	38.98	\$2.89
GROUP # 3		
Total Wage Paid	\$ 41.91	Additional
Base Wage	36.55	\$2.75

NOTE: *Base Wage* for Premium/Overtime calculation Only. \$6.59 is difference between *Base* and *Total*

SUPPLEMENTAL BENEFITS

Per Hour:
 ALL GROUPS \$ 26.88
 After Forty (40) paid
 Hours in a work Week
 OVERTIME PAY \$ 16.00

OVERTIME PAY

OVERTIME PAY
 See (B, C2, F) on OVERTIME PAGE

NOTES: Premium Overtime Pay to be calculated on "Base Wage" only
 Example Occupier 3: \$36.25 X Time and One Half = \$54.38 + \$5.65 = \$60.03
 Premium Pay of 30% of base wage for all Straight Time hours on all New York State, D.O.T. and other Government Mandated Off-Shift Work.
 Hazardous Manual Work add an Additional 10% of base wage

HOLIDAY

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (I) on HOLIDAY PAGE

REGISTERED APPRENTICES

2000 Hour(s) Terms at the following Percentage of the Journeyman's Wage:

1st 0-1999 Hrs	90%
2nd 2000-3999 Hrs	90%

Supplemental Benefits per hour:

All APPRENTICES	\$ 26.89
After forty(40) paid hours	
in a work Week	\$ 16.56

4-125B

Mason

06/01/2016

JOB DESCRIPTION Mason

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour: 07/01/2016

Brick/Blocklayer \$ 54.51

SUPPLEMENTAL BENEFITS

Per Hour:

Brick/Block Layer \$ 23.23

OVERTIME PAY

See (A, E, E2, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (I) on HOLIDAY PAGE
 Overtime: See (E, G, 23) on HOLIDAY PAGE

REGISTERED APPRENTICES

(800 hour) Terms at the following Percentage of Journeyworkers Wage:

1st	2nd	3rd	4th	5th
60%	50%	70%	80%	90%

Supplemental benefits per hour:

All Apprentices \$ 15.95

4-13A

Mason - Building

06/01/2016

JOB DESCRIPTION Mason - Building

DISTRICT 6

ENTIRE COUNTIES

Nassau, Rockland, Suffolk, Westchester

WAGES

Per hour: 07/01/2016 12/01/2015
 Additional

Building:
 Tile Setters \$ 84.31 \$ 1.13

SUPPLEMENTAL BENEFITS

Per Hour:

Journey Worker \$23.68* plus \$2.30

OVERTIME PAY
 See (B, E, Q, V) on OVERTIME PAGE

* This portion of benefits subject to same profit-sharing rate as shown for overtime wages.
 Work beyond 10 hours on Saturday shall be paid at double the hourly wage rate.

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (S, B, 9, 11, 15, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wage per hour:

Tile Setters:
 (750 hour) term at the following wage rate:

Term:	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
	750	1500	2250	3000	3750	4500	5250	6000	6750	7500
	\$27.45	\$30.71	\$34.98	\$39.08	\$41.89	\$44.93	\$46.70	\$50.45	\$62.81	\$63.88

Supplemental Benefits per hour:

1st term	\$14.70* plus \$0.72	6th term	\$17.86* plus \$1.51
2nd term	\$15.70* plus \$0.76	7th term	\$16.10* plus \$8.61
3rd term	\$15.70* plus \$0.83	8th term	\$16.50* plus \$5.85
4th term	\$16.60* plus \$1.17	9th term	\$18.35* plus \$6.22
5th term	\$16.85* plus \$1.15	10th term	\$21.62* plus \$6.27

9-7/52A

Mason - Building

06/01/2015

JOB DESCRIPTION: Mason - Building

DISTRICT: 9

ENTIRE COUNTIES

Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, Westchester

WAGES

Wages: 07/01/2015 07/01/2016

Marble Cutters & Setters \$ 58.53 \$ 58.88

SUPPLEMENTAL BENEFITS

Per Hour:

Journey worker \$ 31.17 \$ 32.03

OVERTIME PAY
 See (B, E, Q, V) on OVERTIME PAGE

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (S, B, 9, 11, 15, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wage Per Hour:

750 hour terms at the following wage:

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
750	1500	2250	3000	3750	4500	5250	6000	6750	7500
\$22.61	\$25.44	\$28.27	\$31.00	\$33.92	\$36.74	\$39.57	\$42.40	\$48.05	\$53.70

Supplemental Benefits per hour paid at the following terms:

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
\$22.87	\$23.55	\$24.26	\$24.85	\$25.63	\$26.32	\$27.05	\$27.72	\$28.09	\$30.46

9-714

Mason - Building 06/01/2015

JOB DESCRIPTION Mason - Building DISTRICT 9

ENTIRE COUNTIES
Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES
Per hour: 07/01/2015 01/01/2016

Building-Marble Restoration: As Additional

Marble, Stone & \$ 36.50 \$ 0.75
Terrazzo Polisher, etc

SUPPLEMENTAL BENEFITS

Per Hour Paid:
Journeyworker:

Building-Marble Restoration:
Marble, Stone & \$ 23.88
Polisher

OVERTIME PAY
See (P, R, Q, V) on OVERTIME PAGE
*ON SATURDAYS, 01H HOUR AND SUCCESSIVE HOURS PAID AT DOUBLE HOURLY RATE.

HOLIDAY
Paid: See (1) on HOLIDAY PAGE
Overtime: See (5, 6, 8, 11, 15, 25) on HOLIDAY PAGE
1ST TERM APPRENTICES GETS PAID FOR ALL OBSERVED HOLIDAYS.

REGISTERED APPRENTICES

WAGES per hour:
(800 hour) earns at the following wages:

	1st 0-900	2nd 901-1800	3rd 1801-2700	4th over 2700
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07/01/2015	\$ 27.43	\$ 31.40	\$35.33	\$ 39.25
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Supplemental Benefits Per Hour:	07/01/2015			
	\$ 21.48	\$ 22.12	\$ 22.75	\$ 23.58

9-724-MP

Mason - Building 06/01/2015

JOB DESCRIPTION Mason - Building DISTRICT 9

ENTIRE COUNTIES
Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES
Building: 07/01/2015 01/01/2016

Wages per hour: As Additional

Mosaic & Terrazzo Mechanic \$ 50.71 \$ 1.15

Mosaic & Terrazzo Finisher \$ 49.10 \$ 1.15

SUPPLEMENTAL BENEFITS

Journeyworker:
Per hour:

Mosaic & Terrazzo Mosaicist	\$ 32.35
Mosaic & Terrazzo Finisher	\$ 32.35

OVERTIME PAY
 See (A, L, G) on OVERTIME PAGE
 Double the rate after 10 hours on Saturday

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (6, 6, 8, 11, 15, 16, 25) on HOLIDAY PAGE

Easter Sunday is an observed holiday. Holidays falling on a Saturday will be observed on that Saturday. Holidays falling on a Sunday will be celebrated on the Monday.

REGISTERED APPRENTICES

Wages per hour:
 (150 Hour) terms at the following wage rate.

1st	2nd	3rd	4th	5th	6th	7th	8th
\$25.35	27.87	30.12	32.94	35.45	38.02	43.08	48.15

Supplemental benefits per hour:

16.19	17.01	19.42	21.55	22.66	24.28	27.52	30.75
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9-73

Mason - Building 08/01/2015

JOB DESCRIPTION Mason - Building DISTRICT 8

ENTIRE COUNTIES
 Nassau, Rockland, Suffolk, Westchester

WAGES

Per hour:	07/01/2015	12/07/2015	06/06/2016
Building Tile Finisher	\$41.88	An Additional \$0.82	An Additional \$3.82

SUPPLEMENTAL BENEFITS

Per Hour:

Journey worker: \$ 21.02* plus \$ 6.80

OVERTIME PAY
 See (B, E, Q, W) on OVERTIME PAGE

* This portion of Supplemental benefits subject to same premium rate as shown for overtime wages.
 Work beyond 10 hours on a Saturday shall be paid at double the hourly wage rate.

HOLIDAY

Paid: See (I) on HOLIDAY PAGE
 Overtime: See (5, 6, 11, 15, 16, 26) on HOLIDAY PAGE

9-73BA-1f

Mason - Building 08/01/2015

JOB DESCRIPTION Mason - Building DISTRICT 9

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES

Per hour:	07/01/2015	01/01/2016
Marble, Stone, etc. Vitrification Finishers:	\$ 21.57	\$ 21.78

Note 1: An additional \$2.00 per hour
 for time spent grinding floor using
 "DC grit" and below.

Note 2: Flaring equipment operator
 shall be paid an additional \$25.00 per day.

SUPPLEMENTAL BENEFITS

Per Hour:

Marble, Stone, etc
 Maintenance Finishers: \$ 12.20 \$ 12.41

OVERTIME PAY
 See (B, *E, Q, V) on OVERTIME PAGE
 *Double hourly rate after 8 hours on Saturday

HOLIDAY
 Paid: See (5, 6, 8, 11, 15, 25) on HOLIDAY PAGE
 Overtime: See (5, 6, 8, 11, 15, 26) on HOLIDAY PAGE
 1st term apprentice gets paid for all observed holidays

REGISTERED APPRENTICES
 WAGES per hour:
 (760 hour) terms at the 07/01/2015
 following percentage
 of journeyman's wage
 rate:

1st term 0-760	70%
2nd term 760-1600	74%
3rd term 1601-2250	73%
4th term 2251-3000	82%
5th term 3001-3750	88%
6th term 3751-4500	88%

Supplemental Benefits:
 Per hour paid

1st term	\$ 11.92
2nd term	11.93
3rd term	11.94
4th term	11.95
5th term	11.96
6th term	11.99

0-7/24M-MT

Mason - Building / Heavy & Highway 08/01/2015

JOB DESCRIPTION Mason - Building / Heavy & Highway DISTRICT 8

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester

WAGES
 Per hour: 07/01/2015 01/01/2016
 Marble Finisher \$ 16.08 \$ 0.00
 Art. Additional

SUPPLEMENTAL BENEFITS
 Journeyworker:
 per hour paid

Marble Finisher \$ 30.41

OVERTIME PAY
 See (B, E, Q, V) on OVERTIME PAGE
HOLIDAY
 Overtime: See (5, 6, 8, 11, 15, 16, 26) on HOLIDAY PAGE
 * Work beyond 8 hours on a Saturday shall be paid at double the rate.
 ** When an observed holiday falls on a Sunday, it will be observed the next day.

0-7/20-VF

Mason - Building / Heavy & Highway 08/01/2015

JOB DESCRIPTION Mason - Building / Heavy & Highway DISTRICT 4

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES
 Per Hour: 07/01/2015

Cement Mason \$ 45.38

Four (4), ten (10) hour days may be worked at straight time during a week, Monday thru Friday. Any make-up day must be paid at the premium rate.

NOTE - In order to use the 4 Day/10 Hour Work Schedule, you must submit an Employer Registration for Use of 4 Day/10 Hour Work Schedule Form PW30R; additionally, there must be a dispersion of hours in place on the project.

SUPPLEMENTAL BENEFITS
Per Hour:

Cement Mason \$ 32.00

OVERTIME PAY
See (*B1, E2, **O, ***V) on OVERTIME PAGE
* Applies to 8th and 10th hours on Saturday
** "Holidays" only for Building Construction
*** Additional \$10.18 to be added to all Time and a Half hours paid

HOLIDAY
Paid: See (1) on HOLIDAY PAGE
Overtime: See (5, 6, 8, 11, 13, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES
(1) year terms at the following Percentage of Journeyworkers Wage.

1st Term 50%
2nd Term 60%
3rd Term 70%

Supplement Benefits per hour paid:

1st Term \$ 18.40
2nd Term 19.85
3rd Term 25.85

4-780

Mason - Building / Heavy & Highway

08/01/2015

JOB DESCRIPTION Mason - Building / Heavy & Highway

DISTRICT 4

ENTIRE COUNTIES
Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES
WAGES

NOTE: Shall include but not limited to Precast concrete slabs (London Wales)
Marble and Granite pavers 2'x 2' or larger.
Per Hour:

07/01/2015

Stone Setter \$59.14

Stone Tender \$41.11

SUPPLEMENTAL BENEFITS
Per Hour:

Stone Setter \$ 28.10
Stone Tender 18.27

OVERTIME PAY
See (*C, **E, O) on OVERTIME PAGE
* On week days the eighth (8th) and ninth (9th) hours are time and one-half at work thereafter is paid at double the hourly rate.
** The first, nine (9) hours on Saturday is paid at time and one-half at work thereafter is paid at double the hourly rate.

HOLIDAY
Paid: See (**8) on HOLIDAY PAGE
Overtime: See (5, 6, 10) on HOLIDAY PAGE
Paid: *Must work first 1/2.

REGISTERED APPRENTICES
Per Hour:

Some Sector(BOC hour) terms at the following Percentage of
 State Suffers wage rate per hour:

1st 50%	2nd 60%	3rd 70%	4th 80%	5th 90%	6th 100%
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Supplemental Benefits:

All Apprentices \$18.31

4-1313

Mason - Heavy&Highway

08/01/2015

JOB DESCRIPTION Mason - Heavy&Highway

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour: 07/01/2015

Painter, Caulkers & Cleaners \$ 47.41

SUPPLEMENTAL BENEFITS

Per Hour:

Painter, Cleaners & Caulkers \$ 24.00

OVERTIME PAY

See (B, E2, H) on OVERTIME PAGE

HOLIDAY

Paid: See (I) on HOLIDAY PAGE

Overtime: See (B, G, 2k, 2G) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wages per hour:

One (1) year terms at the following wage rates:

1st \$ 26.01	2nd \$ 27.25	3rd \$ 32.24	4th \$ 38.65
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Apprentices Supplemental Benefits:
 (per hour paid)

\$ 4.76	\$ 6.70	\$ 12.45	\$ 12.45
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4-1300

Operating Engineer - Building

08/01/2015

JOB DESCRIPTION Operating Engineer - Building

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

BUILDING CATEGORIES:

CLASS "AA" CRANES:

Crane, Truck Crane, Derrick, Dredge, Dredge, Crawler Crane, Tower Crane & Pile Driver

CLASS "A":

Asphalt Spreader, Backhoe Loader, Hydraulic Excavator(360 upto & over 160,000lbs), Loader, Boring Machine, Cherry Picker(over 70 tons), Concrete Pump, Grader, Grader, Hoist, Loading Machine(10 yds or more), Milling Machine, Power Winch- Stone Setting/Structural Steel & Truck Mounted, Powerhouse, Road Paver, Scoop-Carryal, Scraper In Tandem, Steam Shovel, Sideboom Tractor, Stone Spreader(selfpropelled), Tank Work, Tower Crane Engineer.

CLASS "B":

Backhoe(Other than 360), Bob Screts, Boom Truck, Bulldozer, Boring Machine/Auger, Cherry Picker(under 70 Tons), Conveyor-Mulch, Dinky Locomotive, Fork Lift, Hoist(2 Drum), Loading Machine & Front Loader, Muck Machine(Machine Fed), Power Wincher(Kot included in Class "A"), Asphalt Roller, Hydraulic Pump w/ Boring Machine, Scoop- Carryall/Saapor, Skid Loader/Skid Steer, Maintenance Man on Tower Crane, Trenching Machine, Vermeer Cutter, Work Boat.

CLASS "C":

Concrete Saw/Cutter/Breaker, Curb Machine(asphalt & Concrete), Maintenance Engineer(Small Equip. & Weld Point), Field Mechanic, Milling Machine(Small), Pulp Mixer, Pumps(a/l), Roller(dirt), Vac-Al(Truck), Jet Pump(Truck), Interior Hoist, Concrete Finish Machine, Concrete Spreader, Hoist(one drum).

CLASS "D":

Breaker, Conveyor, Cutting Machine, Fork Lift or Walk Behind (power operated), Generator, Hydra Hammer, Compactors(mechanical or hand operated), Pin Pulver, Portable Heaters, Power Booms, Power Buggies, Pump(double action diaphragm), Ridge Cutter, Robotic Lift Operator, Shot Blaster.

CLASS "E":

Batching Plant, Generator, Grinder, Mixer, Mulching Machine, Oiler, Pump(gypsum), Pump(single action diaphragm), Stump Chopper, Track Compactor, Tractor(cato plow or wheel), Vibrator, Deckhand on Workboat, Trenching Machine(Hand).

	07/01/2016	06/01/2016
Class "AA"	\$ 70.75	Additional \$ 3.03/Hr
Cranes: Boom length over 100 feet add \$ 1.00 per hour		
** " 130 " " \$ 1.50 " "		
** " 250 " " \$ 2.00 " "		
** " 350 " " \$ 3.00 " "		
Class "A"	\$ 58.80	Additional \$ 2.80/Hr
Add \$3.50 for Hazardous Waste Work		
Class "B"	\$ 55.91	\$ 2.69/Hr
Add \$2.50 for Hazardous Waste Work		
Class "C"	\$ 53.81	\$ 2.62/Hr
Add \$1.50 for Hazardous Waste Work		
Class "D"	\$ 47.45	\$ 0.00
Add \$1.00 for Hazardous Waste Work		
Class "E"	\$ 45.50	\$ 0.00

SUPPLEMENTAL BENEFITS

Per Hour:

All Classes	\$ 23.55
Overtime Rate	24.55

OVERTIME PAY

See (D, G) on OVERTIME PAGE

HOLIDAY

Pay: See (5, 6, 15, 16, 25) on HOLIDAY PAGE
 Overtime: See (5, 8, 15, 16, 25) on HOLIDAY PAGE

"NOT" Employee must be Employed day before and day after Holiday to receive Holiday Pay.

REGISTERED APPRENTICES

One(1) Year Terms at the following Rate:

1st Term	\$ 20.84
2nd Term	21.67
3rd Term	22.30

Supplemental Benefits per hour:

All Apprentices	\$ 15.64
Overtime Rate	5.62

4-38

JOB DESCRIPTION Operating Engineer - Building / Heavy & Highway

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour:	07/01/2015	06/01/2015
Well Driller	\$ 34.50	\$ 35.18
Well Driller Helper	\$ 30.20	\$ 30.80

Hazardous Waste Differential
 Added to Hourly Wage:

Level A	\$ 3.00
Level B	2.00
Level C	1.00

Monitoring Well Work
 Add to Hourly Wage:

Level A	\$ 3.00
Level B	2.00

SUPPLEMENTAL BENEFITS

Per Hour:	07/01/2015
Well Driller & Helper	\$ 1.0% of straight time rate plus \$ 10.85

Additional \$ 3.50 for Premium Time

OVERTIME PAY
 See (B, E, G, P) on OVERTIME PAGE

HOLIDAY

Pay:	See (S, G, 16, 23) on HOLIDAY PAGE
Overtime:	See (S, G, 16, 23) on HOLIDAY PAGE

REGISTERED APPRENTICES

Apprentices at 12 Month Terms

Wages Per Hour:	07/01/2015
1st Term	\$ 20.84
2nd Term	\$ 21.67
3rd Term	\$ 22.33

SUPPLEMENTAL BENEFITS

Per Hour:	
1st Term	10% of Wage + \$ 6.10
2nd Term	10% of Wage + \$ 6.60
3rd Term	10% of Wage + \$ 6.60

BENEFITS AT PREMIUM TIME

Per Hour:	
1st Term	10% of Wage + \$ 5.05
2nd Term	10% of Wage + \$ 6.60
3rd Term	10% of Wage + \$ 6.10

4-38wal

Operating Engineer - Heavy & Highway

06/01/2016

JOB DESCRIPTION Operating Engineer - Heavy & Highway

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

HEAVY/HIGHWAY CATEGORIES:

CLASS "AA" CRANES:

Crane, Truck Crane, Derrick, Dragline, Dredge, Crawler Crane, Tower Crane, Pile Driver

CLASS "A":

Asphalt Spreader, Backhoe Crawler/Hydraulic Excavator(\$BC up to & over 150,000lbs), Barrier Machine, Cherrypicker(over 70 tons), Concrete Pump, Grader, Grapple, Hoist, Loading Machine(bucket 10 yds. or more), Laser Scroud, Milling Machine(Large), Power Winch-Stone Sealing/Structural Steel or Truck Mounted, Powerhouse, Road Paver, Scoop-Carryall-Scaper in Tandem, Side Boom Tractor, Stone Spreader(not propelled), Striping Machine(long hook/truck mounted), Tree Grapple, Tank Work, Track Alignment Machine.

CLASS "B":

Backhoe(Other than 360), Boom Truck, Bulldozer, Boring Machine/Auger, Cherry Picker(under 70 tons), Conveyor-Mull, Post Hole-Auger, Fork Lift, Hoist(2 drum), Loading Machine & Front Loader, Mulch Machine(machine fed), Power Wincher(etc. others not included in class A), Asphalt Roller, Hydraulic Pump with Boring Machine, Scoop, Carryall/Scrapper, Side Loader/Skid Steer, Maintenance Man on Tower Crane, Trenching Machine, Vormeer Cutter, Work Boat.

CLASS "C":

Concrete Saw/Cutter/Breaker, Curb Machine(Asphalt & Concrete), Maintenance Engineer(Small Equip. & Well Point), Field Mechanic, Milling Machine(Small), Pulvi Mixer, Pumps(Hydraulic & 4" or over), Roller(Dirt), Vac-All(Truck), Jet Paints (Truck), Power Winch (Truck Mounted), Compressor(Structural Steel & 2 or more Barrels), Concrete Finish Machine, Concrete Spreader, Fireman, Hoist (One Drum), Welding Machine(Structural Steel & Pile Work).

CLASS "D":

Compressor(Pile, Crane, Stone Sealing), Concrete Saw Cutter/Breaker, Work Lift (Walk Behind, Power Operated), Generator(Pile Work), Hydra Hammer, Hand Operated Compactor, Pin Puller, Portable Heater, Powered Broom/Buggy/Grinder, Pum(Single Action-1 to 3 inches/Gypsum/Double Action Diaphragm), Welding Machine, Rebar Lints, Hand Line Striper, Roller(ThermoPlastic), Ridge Cutter, Shot Blaster, Conveyor, Curing Machine.

CLASS "E":

Batching Plant(On Job Site), Compressor, Generator, Grinder, Mixer, Mulching Machine(Hard Feed), Oiler, Pumps(Single action up to 3 in.), Root Cutter, Stump Chopper, Oiler on Tower Crane, Trenching Machine(Hand, walk behind), Track Tamper, Tractor, Vibrator, Deckhand on Work Boat.

	07/01/2015	06/01/2016 Additions
Class "AA" Cranes: Boom Length over 100 feet; add \$ 1.00 per hour *** 150 *** \$ 1.50 *** *** 250 *** \$ 2.00 *** *** 350 *** \$ 3.00 ***	\$ 70.07	\$ 3.03
Class "A" *Add \$3.50 for Hazardous Waste Work.	\$ 52.07*	\$ 2.00 Additional
Class "B" *Add \$2.00 for Hazardous Waste Work.	\$ 58.03*	\$ 2.63
Class "C" *Add \$1.50 for Hazardous Waste Work	\$ 55.95*	\$ 2.62
Class "D" *Add \$1.00 for Hazardous Waste Work	\$ 48.35	\$ 0.00
Class "E"	\$ 47.39	\$ 0.00

(NOTE) ADD 30% to straight time hourly wage for NEW YORK STATE D.O.L. and other GOVERNMENTAL MANDATED off-shift work.

SUPPLEMENTAL BENEFITS

Per hour:

ALL CLASSES \$ 33.80

Note: OVERTIME AMOUNT \$ 24.35

OVERTIME PAY
See (D, O) on OVERTIME PAGE

HOLIDAY

Paid: See (5, 6, 7, 8) on HOLIDAY PAGE

Overtime: See (5, 6, 7, 8) on HOLIDAY PAGE

"Note" Employee must be employed day before and day after.

a holiday to receive holiday pay.

REGISTERED APPRENTICES

Wage per hour:

REGISTERED APPRENTICES

One(1) Year Terms at the following Rate:

1st Term	\$ 20.84
2nd Term	21.87
3rd Term	22.33

SUPPLEMENTAL BENEFITS:

APPRENTICES	\$ 15.64
Note: Overtime Amount	\$ 5.00

4-158

Operating Engineer - Heavy&Highway

08/01/2015

JOB DESCRIPTION Operating Engineer - Heavy&Highway

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Party Chief - One who directs a survey party
 Instrument Man - One who runs the instrument and assists Party Chief
 Rodman - One who holds the rod and in general, assists the survey party
 Categories cover GPS & Under Ground Surveying

Per Hour:	07/01/2015	07/01/2018
Heavy Highway/Building		Additional
Party Chief	\$ 64.08	\$ 2.73
Instrument Man	48.84	2.30
Rodman	41.08	2.10

SUPPLEMENTAL BENEFITS

Per Hour:

Heavy Highway/Building	\$ 32.15
Premium*	
Heavy Highway/Building	\$ 40.07
Premium**	
Heavy Highway/Building	\$ 64.80

* Applies to instances where 1-1/2 regular rate are paid
 **Applies to instances where 2 times the rate are paid.

OVERTIME PAY

See (B, *E, G) or OVERTIME PAGE

* Doubletime paid on the 8th hour on Saturday.

HOLIDAY

Paid: See (5, 8, 8, 11, 12, 15, 25) on HOLIDAY PAGE
 Overtime: See (5, 8, 8, 11, 12, 16, 25) on HOLIDAY PAGE

4-158-NYS cc.

Operating Engineer - Marine Construction

08/01/2015

JOB DESCRIPTION Operating Engineer - Marine Construction

DISTRICT 4

ENTIRE COUNTIES

Albany, Allegany, Bronx, Broome, Cattaraugus, Cayuga, Chautauque, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Hamilton, Herkimer, Jefferson, Kings, Lewis, Livingston, Madison, Monroe, Montgomery, Nassau, New York, Niagara, Oneida, Onondaga, Orleans, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Richmond, Rockland, Saratoga, Schoharie, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Suffolk, Sullivan, T.oga, Tompkins, Ulster, Warren, Washington, Wayne, Westchester, Wyoming, Yates

WAGES

Page 58

Per Hour:	
DREDGING OPERATIONS	07/01/2015
CLASS A	
Operator, Levee/Train, Lead Dredgeman	\$ 35.55
CLASS A1	To conform to Operating Engineer Prevailing Wage in locality where work is being performed including benefits.
Decon/Proxy Leader Operator	
CLASS B	
Spider/Spill, Barge Operator, Tug Operator(over1000hp), Operator II, Fill Planer, Derrick Operator, Engineer, Chief Mate, Electrician, Chief Welder, Maintenance Engineer	\$ 30.81
Certified Welder, Boat Operator(licensod)	\$ 29.01
CLASS C	
Drug Barge Operator, Steward, Mate, Assistant Fill, Planer, Welder (please add)\$ 0.00	\$ 28.22
Boat Operator	\$ 27.30
CLASS D	
Skorman, Deckhand Rodman, Seaman, Cook, Yeasman, Porter/Janitor	\$ 22.68

Oiler(please add)\$ 0.00
SUPPLEMENTAL BENEFITS

Per Hour:
 THE FOLLOWING SUPPLEMENTAL BENEFITS APPLY TO ALL CATEGORIES

All Classes A & B	07/01/2015 \$ 0.93 plus 6% of straight time wage, Overtime hours add \$ 0.63
All Class C	\$ 9.89 plus 8% of straight time wage, Overtime hours add \$ 0.48
All Class D	\$ 9.38 plus 8% of straight time wage, Overtime hours add \$ 0.33

OVERTIME PAY
 See (B, F, R) on OVERTIME PAGE

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (5, 8, 9, 15, 28) on HOLIDAY PAGE

4-26a-MarConst

Operating Engineer - Survey Crew - Consulting Engineer 08/01/2015

JOB DESCRIPTION Operating Engineer - Survey Crew - Consulting Engineer DISTRICT 9

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Suffolk, Westchester

PARTIAL COUNTIES

Dutchess: That part in Dutchess County lying South of the North City line of Poughkeepsie.

WAGES

Feasibility and preliminary design surveying, any line and grade surveying for inspection or supervision of construction.

Per hour: Survey Classifications	07/01/2015	07/01/2016 Ar. Additional
Party Chief	\$ 37.04	\$ 2.24
Instrument Men	30.69	1.98
Rod man	25.52	1.32

SUPPLEMENTAL BENEFITS

Per Hour:

All Grow Members: \$ 19.10

OVERTIME PAY

OVERTIME: See (B, E, Q, V) ON OVERTIME PAGE.

*Doubled no paid on the 5th hour on Saturday.

HOLIDAY

Paid: See (S, G, 7, 11, 16) on HOLIDAY PAGE

Overtime: See (S, G, 7, 11, 16) on HOLIDAY PAGE

0-1630301

Operating Engineer - Trenchless Pipe Rehab

06/01/2016

JOB DESCRIPTION Operating Engineer - Trenchless Pipe Rehab

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

IMPORTANT NOTE: This Category & Classifications are now located in
 Operating Engineers/Heavy Highway & Laborers/Heavy Highway.

Per Hour:

07/01/2015
(SEE)

Robotic Unit Operator

Operator(class D)

Technician/Boller, Generator

Operator(classess C&D)

AM Liner/Hydra Seal

Laborer(Class#3)

Hobas Pipe, Polyethylene Pipe or
 Pull and Bore Line:

Laborer(Class#3)

OVERTIME PAY

HOLIDAY

4-138TrenchReh

Painter

08/01/2015

JOB DESCRIPTION Painter

DISTRICT 8

ENTIRE COUNTIES

Putnam, Suffolk, Westchester

PARTIAL COUNTIES

Nassau: All of Nassau except the areas described below: Avenel Beach, Cedarhurst, East Rockaway, Gibson, Hewlet, Hewlet Bay, Hewlet Neck, Hewlett Park, Inwood, Lawrence, Lido Beach, Long Beach, parts of Lynbrook, parts of Oceanside, parts of Valley Stream, and Woodmere. Starting on the South side of Sunrise Hwy in Valley Stream running east to Windsor and Rockaway Ave., Rockville Centre is the boundary then up to Lawson Blvd. turn right going west; all the above territory. Starting at Union Turnpike and Lakeville Rd. going north to Northern Blvd. the west side of Lakeville road to Northern Blvd. At Northern Blvd. going east the district north of Northern Blvd. to Port Washington Blvd. West of Port Washington Blvd. to St. Francis Hospital then north of first traffic light to Port Washington and Sands Point Manor Haven, Harbour Acres.

WAGES
 Per hour: 07/01/2015
 Drywall Taper \$ 41.75

SUPPLEMENTAL BENEFITS
 Per hour worked: 07/01/2015
 Journeyman \$ 20.97

OVERTIME PAY
 See (A, H) on OVERTIME PAGE
 For Journeyman: Deduct \$ 2.25 from wage rate BEFORE calculating overtime pay.
 For Apprentices: Deduct \$ 2.44 from 2nd term wage rate and \$ 3.25 from 3rd term wage rate BEFORE calculating overtime pay.

HOLIDAY
 Paid: See (I) on HOLIDAY PAGE
 Overtime: See (J, E, G, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES
 Wages(per Hour) 07/01/2015

1500 hour terms at the following wage rate:

1st term \$ 16.13
 2nd term \$ 27.19
 3rd term \$ 36.20

Supplemental Benefits per hour:
 One year term (1800 hours) at the following dollar amount.

1st year \$ 10.26
 2nd year \$ 16.43
 3rd year \$ 19.25

5-NYDCT8-DW1

Printer: _____ 08/01/2016

JOB DESCRIPTION Painter **DISTRICT** 8

ENTIRE COUNTIES
 Bronx, Kings, Nassau, New York, Putnam, Queens, Richmond, Suffolk, Westchester

WAGES
 Per hour: 07/01/2015
 Brush \$ 43.75
 Abatement/Removal of lead based
 or lead containing paint on
 materials to be repainted. 48.75
 Spray & Scaffold 46.75
 Fire Escape 43.75
 Decorator 46.75
 Paper hanger/Wall Coverer 41.03

SUPPLEMENTAL BENEFITS

Per hour worked:	07/01/2015
Paperhanger	\$ 20.33
All others	23.97
Premium*	23.47*

*Applies only to "All others" category, not paperhanger journeyman.

OVERTIME PAY
 See (A, F) on OVERTIME PAGE

HOLIDAY
 Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES
 Inductured after 5/31/93 (1) year terms at the following wage rate.
 (per hour)

	07/01/2015
Appr 1st term...	\$ 16.55
Appr 2nd term...	21.00
Appr 3rd term...	26.24
Appr 4th term...	35.02
Supplemental benefits: (per Hour worked)	
Appr 1st term...	\$ 10.23
Appr 2nd term...	12.92
Appr 3rd term...	16.20
Appr 4th term...	19.70

8-NYDC9-D/S

Painter

08/01/2015

JOB DESCRIPTION Painter

DISTRICT B

ENTIRE COUNTIES

Brook, Kings, New York, Queens, Richmond

PARTIAL COUNTIES

Nassau: Atlantic Beach, Oysterhursht, East Rockaway, Fennell, Hewlett Bay, Hewlett Neck, Hewlett Park, Inwood, Lawrence, Lido Beach, Long Beach, parts of Leffbrock and Rockaway Ave. Rockville is the boundary line up to Lawson Blvd, turning right going west all the above territory. Starting at Union Turnpike & Lakewood Rd going north to Northern Blvd, the west side of Lakeville Rd to Northern Blvd. At Northern Blvd going east the district north of Northern Blvd to Port Washington boro. West of Port Washington Blvd to St. Francis Hospital then north of first traffic light to Port Washington & Sands Point, Manor Haven, & Fairbair Acres.

WAGES

Per hour:	07/01/2015	12/30/2015	06/29/2016
Drywall Taper	\$ 60.48	\$ 60.98	\$ 61.10

SUPPLEMENTAL BENEFITS

Per Hour:	07/01/2015	12/30/2015	06/29/2016
Journeyworker:	\$ 18.97	\$ 18.97	\$ 18.97

OVERTIME PAY
 See (A, B) on OVERTIME PAGE

HOLIDAY
 Paid: See (1) on HOLIDAY PAGE
 Overtime: See (4, 6, 0, 17, 18, 19, 25, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wage per hour:
 *2 months' terms (year consists of 1500 hours).

	07/01/2015	12/30/2015	06/29/2016
1st year	\$ 20.19	\$ 20.35	\$ 20.59
2nd year	\$ 33.20	\$ 33.38	\$ 33.68
3rd year	\$ 43.98	\$ 44.78	\$ 45.18

Supplemental Benefits per hour worked:

One (1) year term at the following dollar amount:

1st term	\$ 10.25	\$ 10.26	\$ 10.26
2nd term	\$ 16.43	\$ 16.43	\$ 16.43
3rd term	\$ 19.25	\$ 19.25	\$ 19.25

B-NYCR-1074-DW2

Painter - Bridge & Structural Steel

06/01/2016

JOB DESCRIPTION Painter - Bridge & Structural Steel

DISTRICT B

ENTIRE COUNTIES

Albany, Bronx, Clinton, Columbia, Dutchess, Essex, Franklin, Fulton, Greene, Hamilton, Kings, Montgomery, Nassau, New York, Orange, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, Warren, Washington, Westchester

WAGES

Per Hour Worked:

STEEL:

Bridge Painting: 07/01/2015 10/01/2015

From May 1st to Nov. 15th -

\$ 48.00	\$ 49.00
+ 6.63*	+ 6.33*

From Nov. 16th to April 30th -

\$ 48.00	\$ 49.00
+ 6.63*	+ 6.33*

*Not subject to overtime and limited to first 40 hours

NOTE: All premium wages are to be calculated on \$48.00 or \$49.00 per hour on y.

EXCEPTION: During the period of May 1st to November 15th, for the first and last week of employment on the project, and for the weeks of Memorial Day, Independence Day and Labor Day, this rate shall be paid for the actual number of hours worked.

Power Tool/Spray is an additional \$6.00 per hour above hourly rate, whether straight time or overtime

NOTE: Generally, for Bridge Painting Contracts, ALL WORKERS on and off the bridge (including Flagmen) are to be paid Painter's Rate; the contract must be ONLY for Bridge Painting.

SUPPLEMENTAL BENEFITS

Per Hour Worked:

Journeyworker: 07/01/2015 10/01/2015

From May 1st to Nov. 15th -

Hourly Rate up to 40 hours	\$ 28.05	\$ 29.96
Hourly Rate after 40 hours	7.60	7.50

From Nov. 16th to April 30th -

Hourly Rate up to 40 hours	28.96	29.70
Hourly Rate after 40 hours	7.50	7.50

EXCEPTION: During the period of May 1st to November 15th, for the first and last week of employment on the project, and for the weeks of Memorial Day, Independence Day and Labor Day, this rate shall be paid for the actual number of hours worked.

OVERTIME PAY

See (A, F, R) on OVERTIME PAGE

HOLIDAY

Paid: See (C) on HOLIDAY PAGE
 Overtime: See (4, 5) on HOLIDAY PAGE

REGISTERED APPRENTICES

(Wage per hour Worked):

Apprentices: (1) year terms

	07/01/2015	10/01/2015
1st 90 days	\$ 21.45	\$ 22.06
1st year after 90 days	21.45	22.06

2nd year	32.18	33.08
3rd year	42.90	44.10
Supplemental Benefits per hour worked:		
	07/01/2015	10/01/2016
1st 90 days	\$ 6.83	\$ 9.23
1st year after 90 days	11.58	11.90
2nd year	17.37	17.97
3rd year	23.16	23.98

B-DC-9/30/16-B:95

Painter - Line Striping

08/01/2016

JOB DESCRIPTION Painter - Line Striping

DISTRICT a

ENTIRE COUNTIES

Albany, Bronx, Clinton, Columbia, Dutchess, Essex, Franklin, Fulton, Greene, Hamilton, Kings, Montgomery, Nassau, New York, Orange, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schoharie, Schenectady, Seneca, Sullivan, Ulster, Warren, Washington, Westchester

WAGES

Per hour:

Painter (Striping-Highway)	07/01/2015
Striping-Machine Operator*	\$ 27.11
Line-man Thermoplastic	\$ 32.37

Note: * Includes but is not limited to: Positioning of cones and chocking of traffic using hand held devices. Excludes the Driver/Operator of equipment used in the maintenance and protection of traffic safety

Four (4), ten (10) hour days may be worked at straight time during a week.

NOTE - In order to use the '4 Day/10 Hour Work Schedule,' you must submit an 'Employer Registration for Use of 4 Day/10 Hour Work Schedule,' form PW300; additionally, there must be a dispensation of hours in place on the project.

SUPPLEMENTAL BENEFITS

Per hour paid:	07/01/2015
Journeyworker:	

Striping-Machine operator	\$ 14.18
Line-man Thermoplastic	\$ 14.55

OVERTIME PAY

See (B, E, E2, F, S) or OVERTIME PAGE

HOLIDAY

Paid: See (E, 20) on HOLIDAY PAGE
 Overtime: See (E, 8, 11, 12, 15, 16, 17, 20, 21, 22) on HOLIDAY PAGE

8-1458-L5

Painter - Metal Polisher

08/01/2016

JOB DESCRIPTION Painter - Metal Polisher

DISTRICT b

ENTIRE COUNTIES

Albany, Allegany, Bronx, Broome, Cattaraugus, Cayuga, Chautauque, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Kings, Lewis, Livingston, Madison, Montau, Montgomery, Nassau, New York, Niagara, Oneida, Onondaga, Otsego, Orleans, Oswego, Otsego, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schoharie, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Ulster, Tompkins, Warren, Washington, Wayne, Westchester, Wyoming, Yates

WAGES

	07/01/2015	08/01/2016	09/01/2017
Metal Polisher	\$ 28.07	\$ 28.60	\$ 29.75
Metal Polisher**	29.02	29.63	30.88
Metal Polisher**	31.57	32.38	33.28

**Note: Applies on New Construction & complete renovation

** Note: Applies when working on scaffolds over 34 feet

SUPPLEMENTAL BENEFITS

Per Hour:	07/01/2015	06/01/2016	06/01/2017
Journeyworker: All classification	\$ 9.12	\$ 9.25	\$ 9.41

OVERTIME PAY
 See (B, E, E2, P, T) on OVERTIME PAGE

HOLIDAY
 Paid: See (5, 6, 11, 15, 18, 25, 26) on HOLIDAY PAGE
 Overtime: See (5, 6, 9, 11, 15, 18, 25, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wages per hour:
 One (1) year term at the following wage rates:

	07/01/2015	06/01/2016
1st year	\$ 11.75	\$ 11.75
2nd year	13.00	13.00
3rd year	15.75	15.75

Supplemental benefits:
 Per hour paid:

1st year	\$ 6.28	\$6.28
2nd year	6.57	6.37
3rd year	6.51	6.51

G-BAV2BA-MP

Plasterer

08/01/2015

JOB DESCRIPTION Plasterer

DISTRICT 9

ENTIRE COUNTIES

Kings, Nassau, Queens, Suffolk

PARTIAL COUNTIES

New York: Includes work in all islands in New York City, except Manhattan

WAGES

Per Hour:	07/01/2015
Building: Plasterer/Tracelona	\$ 35.53

SUPPLEMENTAL BENEFITS

Per hour worked:
 Journeyworker \$ 21.00

OVERTIME PAY

See (B, E, E2, Q) on OVERTIME PAGE

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 9, 11, 13, 25, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES

Wages:
 (per hour)
 (1) year terms at the following % of Journeyworkers wage rate:

First year:	
1st 6 months	40%
2nd 6 months	45%

Second year:	
1st 6 months	55%
2nd 6 months	60%

Third year:

1st 6 months	70%
2nd 6 months	76%

Supplemental Benefits:
 (per hour paid):
 6 month terms:

1st six months	\$ 0.37
2nd six months	\$ 0.86
3rd six months	\$ 11.35
4th six months	\$ 12.53
5th six months	\$ 14.32
6th six months	\$ 15.33

D-282-Z1

Plumber

03/01/2015

JOB DESCRIPTION Plumber

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour:

Plumber	07/01/2015
MAINTENANCE ONLY	\$ 29.96

Maintenance: Correction of problem(s) with the existing fixture or group of fixtures, preventive repairs or servicing of said fixtures

SUPPLEMENTAL BENEFITS
 SUPPLEMENTAL BENEFITS

Per Hour:

Plumber Maintenance	\$ 13.55
------------------------	----------

OVERTIME PAY
 See (B, J) on OVERTIME PAGE

HOLIDAY

Per Hour: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 15, 16) on HOLIDAY PAGE

4-200 Maintenance

Plumber

06/01/2015

JOB DESCRIPTION Plumber

DISTRICT 4

ENTIRE COUNTIES
 Nassau, Suffolk

WAGES

Per Hour:

Plumber/ PUMP & TANK	07/01/2015	06/30/2016
	\$ 43.74	\$ 43.99

SUPPLEMENTAL BENEFITS
 Per Hour:

Plumber	\$ 22.98	\$ 24.23
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OVERTIME PAY
 See (D, Q, *V) on OVERTIME PAGE
 (V) For Sundays & Holidays if worked only

HOLIDAY

Per Hour: See (1) on HOLIDAY PAGE
 Overtime: See (5, 6, 15, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES

One (1) Year Terms at the Following
 Percentages of Journeymans wage:

1st Term	30%
----------	-----

2nd Term	40%
3rd Term	50%
4th Term	60%
5th Term	70%
6th Term	85%

Supplemental Benefits Per Hour:

1st Term	\$11.16	12.72
2nd Term	\$11.70	13.36
3rd Term	\$12.52	13.77
4th Term	\$12.80	14.16
5th Term	\$16.13	17.38

4-200 Pump & Tank

Plumber

08/01/2015

JOB DESCRIPTION Plumber
 ENTIRE COUNTIES
 Nassau, Suffolk

DISTRICT 4

WAGES

Per Hour: 07/01/2015 11/01/2015

Plumber \$ 49.48 \$ 49.98

SUPPLEMENTAL BENEFITS

Per Hour:

Plumber \$ 35.47 \$ 35.97

OVERTIME PAY

See (A, E, Q, *V) on OVERTIME PAGE

CODE *V is only for SUNDAYS and HOLIDAYS WORKED

HOLIDAY

Per Hr: See (I) on HOLIDAY PAGE

Overtime: See (S, \$, 15, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

One(1) Year Terms at the following percentages of Plumbers Rate:

1st Term	2nd Term	3rd Term	4th Term	5th Term
30%	40%	50%	60%	70%

Supplemental Benefits per hour:

	07/01/2015	11/01/2015
1st Term	\$ 22.45	\$ 23.55
2nd Term	24.26	24.76
3rd Term	25.53	26.12
4th Term	27.12	27.62
5th Term	28.70	29.20

4-200

Roofe

08/01/2015

JOB DESCRIPTION Roofer
 ENTIRE COUNTIES
 Nassau, Suffolk

DISTRICT 4

WAGES

Per Hour: 07/01/2015 10/01/2015

ROOFER/Waterproofor

Total Wage to be Paid \$ 43.00 Additional \$ 1.50/Hr

Base Wage \$ 38.00**

SUPPLEMENTAL BENEFITS

Page 67

Per Hour

ROOFER/Waterproofers \$ 27.17

OVERTIME PAY

Per Hour:

NEW ROOF SEE (B,E,Q)

RE-ROOF SEE (B,E,E2,Q)

NOTE: Overtime Pay to be calculated on "BASE" Wage then add \$4.00.
 (Example: \$39.00 x time and one half = \$58.50 + \$4.00 = \$62.50)

HOLIDAY

Paid:

See (1) on HOLIDAY PAGE

Overtime:

See (6, 6, 13, 16, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

(1) Year Terms at the following Percentage of Roofers/Waterproofers Wage.

1st	2nd	3rd	4th
40%	50%	70%	80%

Supplemental Benefits per hour:

07/01/2015

1st Term	\$ 7.58
2nd Term	8.23
3rd Term	10.70
4th Term	21.37

4-154

Sheetmetal Worker

06/01/2015

JOB DESCRIPTION Sheetmetal Worker

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour:

07/01/2015

06/01/2015

Sheetmetal Worker

\$ 50.81

Additional

\$ 2.09/hr

Temporary Operation or
 Maintenance of Fans

41.32

SUPPLEMENTAL BENEFITS

Per Hour:

Sheetmetal Worker

\$ 42.80

Maintenance Worker

42.80

OVERTIME PAY

See (A, E, E2, Q, V) on OVERTIME PAGE

For Maintenance See Codes (B,E, Q & V)

HOLIDAY

Paid:

See (1) on HOLIDAY PAGE

Overtime:

See (5, 5, 11, 15, 18, 25, 28) on HOLIDAY PAGE

REGISTERED APPRENTICES

Per Hour/Wages

Six (6) Month Terms As Follows:

1st Term	\$ 17.83
2nd Term	17.83
3rd Term	22.91
4th Term	22.91
5th Term	28.00
6th Term	30.55
7th Term	35.64
8th Term	38.10

9th Term: 40.73

Per Hour Supplemental Benefits

1st Term	\$ 15.76
2nd Term	16.78
3rd Term	21.80
4th Term	21.80
5th Term	25.68
6th Term	27.49
7th Term	31.27
8th Term	33.47
9th Term	35.07

4-28

Sheetmetal Worker

06/01/2015

JOB DESCRIPTION: Sheetmetal Worker

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Suffolk, Westchester

WAGES

Per Hour: 07/01/2015

Sign Erector \$ 45.80

NOTE: Structurally Supported Overhead Highway Signs (See STRUCTURAL IRON WORKER CLASS)

SUPPLEMENTAL BENEFITS

Per Hour: 07/01/2015

Sign Erector \$ 40.25

OVERTIME PAY

See (A, B, G) on OVERTIME PAGE

HOLIDAY

Pay: See (5, 6, 10, 11, 12, 18, 25) on HOLIDAY PAGE

Overtime: See (5, 6, 10, 11, 12, 13, 25) on HOLIDAY PAGE

REGISTERED APPRENTICES

Per Hour:

6 month Terms at the following percentage of Sign Erectors wage rate.

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
35%	40%	45%	50%	55%	60%	65%	70%	75%	80%

SUPPLEMENTAL BENEFITS

Per Hour:

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
\$11.08	\$12.55	\$14.04	\$15.51	\$21.93	\$23.06	\$24.46	\$26.45	\$30.42	\$32.40

4-137-SE

Steamfitter

06/01/2015

JOB DESCRIPTION: Steamfitter

DISTRICT 4

ENTIRE COUNTIES

Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour: 07/01/2015

Steam/Sprinkler
Fitter \$ 61.06

Temporary
Heat & AC \$ 45.42

NOTE: Add 50% to Hourly Wage for "Contracting Agency" Mandated Off Shift Work.

SUPPLEMENTAL BENEFITS

Per Hour:

Steam/Sprinkler Filter \$ 47.27

Temporary Heat & AC \$ 30.78

OVERTIME PAY

See (C, D, Q, V) on OVERTIME PAGE

(*D) On all HVAC and Mechanical contracts that do not exceed \$15,000,000, and on all fire protection/sprinkler contracts that do not exceed \$1,500,000.

HOLIDAY

Field:

See (I) on HOLIDAY PAGE

Overtime:

See (5, 6, 11, 16, 18, 26) on HOLIDAY PAGE

REGISTERED APPRENTICES

1 year Terms at the Following:

WAGES per Hour:

1st Term	2nd Term	3rd Term	4th Term	5th Term
\$ 24.48	\$ 30.68	\$ 33.71	\$ 40.06	\$ 51.91

SUPPLEMENTAL BENEFIT

Per Hour:

1st Term	2nd Term	3rd Term	4th Term	5th Term
\$ 10.30	\$ 23.02	\$ 30.81	\$ 37.92	\$ 40.02

4-338A-SLS:SpPr

Steamfilter

08/31/2016

JOB DESCRIPTION Steamfilter

DISTRICT 4

ENTIRE COUNTIES

Broox, Kings, Nassau, New York, Queens, Richmond, Suffolk

WAGES

Per Hour:

07/01/2016

AC Service/Heat Service
 Steamfilter Maintenance

\$ 39.26

Refrigeration, A/C, Oil Burner and Stoker Service and Repair.
 Refrigeration Compressor Installation up to 6Tps (commercial).
 Air Condition / Heating Compressor installation up to 10Tps (combined).

SUPPLEMENTAL BENEFITS

Per Hour

AC Service/Heat Service
 Steamfilter Maintenance

\$ 10.75

OVERTIME PAY

See (J, E, Q) on OVERTIME PAGE

HOLIDAY

Field:

See (5, 6, 11, 15, 25, 26) on HOLIDAY PAGE

4-638B-SmPrRuf

Teamster - Asphalt Delivery

08/31/2016

JOB DESCRIPTION Teamster - Asphalt Delivery

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

Per Hour:

Heavy Construction Work:

Shall include the supply of Asphalt for construction, improvement and modification of all or any part of Streets, Highways, Bridges, Tunnels, Railroads, Canals, Dams, Airports, Schools, Power Generation Plants, where distance between project and asphalt plant is not more than 50 miles.

TRUCK DRIVER

07/01/2015

Asphalt Delivery

\$ 36.535

Light Construction Work:

Shall include the supply of Asphalt for construction of Single & Multi Family Homes, Town Houses, Apartment Buildings, including Driveways, Streets and Courts within those projects, Parking Lots, Office Buildings, where distance between project and asphalt plant is not more than 50 miles.

TRUCK DRIVER

07/01/2015

Asphalt Delivery

\$ 29.91

SUPPLEMENTAL BENEFITS

Per Hour:

Heavy Construction Work:

TRUCK DRIVER

07/01/2015

Asphalt Delivery

\$ 41.76

Light Construction Work:

TRUCK DRIVER

07/01/2015

Asphalt Delivery

\$ 31.55

OVERTIME PAY

See (B, *B2, E, *1, P, **R, ***U) on OVERTIME PAGE

(NOTE) PREMIUM PAY of 25% on straight time hours for New York State D.O.T. and/or other GOVERNMENTAL MANDATED off shift work.

Note: (B, E, P, T, *U) Apply to Heavy Construction.

Note: (B2, I, T, *L) Apply to Light Construction.

Note: (*U) Only applies after 8 hours worked on holiday.

HOLIDAY

Paid:

See (1) on HOLIDAY PAGE

Overtime:

See (5, 6, *16, **26) on HOLIDAY PAGE

NOTE: (*16) Paid at Double if Worked; (**26) Paid at Double if Worked.

4-232

Teamster - Building

07/01/2015

JOB DESCRIPTION Teamster - Building

DISTRICT 4

ENTIRE COUNTIES

Nassau, Suffolk

WAGES

Per Hour:

Truck Driver (Building Demolition & Debris)

07/01/2015

Trellers

\$ 29.90

Straight Jobs

\$ 29.90

SUPPLEMENTAL BENEFITS

Per Hour:

All Classifications

07/01/2015

\$ 21.34

OVERTIME PAY

See (B, E, S*) on OVERTIME PAGE

HOLIDAY

Paid:

See (1) on HOLIDAY PAGE

Overtime:

See (5, 6, 8, 11, 12, *3, 25, 26) on HOLIDAY PAGE

Page 71

Teamster - Delivery of Concrete

06/01/2015

JOB DESCRIPTION Teamster - Delivery of Concrete

DISTRICT 4

ENTIRE COUNTIES
Nassau, Suffolk

WAGES
Per Hour:

Heavy Construction Work:

Shall include the supply of Ready-Mix Concrete for construction, improvement and modification of all or any part of Streets, Highways, Bridges, Tunnels, Railroads, Canals, Dams, Airports, Schools & Power Generation Plants, where distance between project and asphalt plant is not more than 50 miles.

TRUCK DRIVER

Concrete Delivery 07/01/2015
\$ 37,895

Light Construction Work:

Shall include the supply of Ready-Mix Concrete for construction of Single & Multi Family Homes, Town Houses, Apartment Buildings, including Driveways, Streets and Curbs within those projects, Parking Lots and Office Buildings, where distance between project and asphalt plant is not more than 50 miles.

TRUCK DRIVER

Concrete Delivery 07/01/2015
\$ 34,946

SUPPLEMENTAL BENEFITS

Per Hour:

Heavy Construction Work 07/01/2015
Concrete Delivery \$ 38,275

Light Construction Work 07/01/2015
Concrete Delivery \$ 11,525

OVERTIME PAY

NOTE: Heavy Construction B2, J
Light Construction B, E, P

HOLIDAY

Paid: See (1) on HOLIDAY PAGE
Overtime: See (5, 6, **B, **25) on HOLIDAY PAGE
NOTE: (**C) Paid at Double if Worked, (**25) Paid at Double if Worked.

4-282ns

Teamster - Heavy & Highway

06/01/2015

JOB DESCRIPTION Teamster - Heavy & Highway

DISTRICT 4

ENTIRE COUNTIES
Nassau, Suffolk

WAGES
Per Hour:

Heavy Construction Work:

Shall include the construction, improvement or modification of all or any part of Streets, Highways, Bridges, Tunnels, Railroads, Canals, Dams, Airports, Schools, Power Generation Plants.

Site Excavating 07/01/2015
(Chauffeurs) \$ 35,585

Light Construction Work:

Shall include the construction, improvement and modification of Single & Multi Family Homes, Town Houses, Apartment Buildings, including Driveways, Streets and Curbs within these projects, Parking Lots and Office Buildings.

Site Excavating 07/01/2015

(Chauffeurs)	\$ 28.84
SUPPLEMENTAL BENEFITS	
Per Hour:	07/01/2015
Heavy Construction Work	
Chauffeurs	\$ 41.7825
Light Construction Work	
Chauffeurs	\$ 11.55

OVERTIME PAY

See (B, *B2, E, **1, P, **R, ***U) on OVERTIME PAGE

(NOTE) PREMIUM PAY of 25% on straight time hours for NEW YORK STATE D.O.T. and/or other GOVERNMENTAL MANDATED off shift work.

Note: (3, E, P, T & *U) Apply to Heavy Construction.

Note: (**1, T & *U) Apply to Light Construction.

Note: (*U) Only applies after 8 hours work on holiday

HOLIDAY

Paid: See (3) on HOLIDAY PAGE

Overtime: See (B, E, **1, B, **25) on HOLIDAY PAGE

NOTE: (**16) Paid at Double if Worked. (**25) Paid at Double if Worked.

4-282

Welder

08/01/2015

JOB DESCRIPTION Welder

DISTRICT :

ENTIRE COUNTIES

Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauque, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Kings, Lewis, Livingston, Madison, Monroe, Montgomery, Nassau, New York, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Queens, Rensselaer, Richmond, Rockland, Saratoga, Schoharie, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Westchester, Wyoming, Yates

WAGES

Per hour 07/01/2015

Welder: To be paid the same rate of the mechanic performing the work.*

*EXCEPTION: if a specific welder certification is required, then the 'Certified Welder' rate in that trade tag will be paid.

OVERTIME PAY

HOLIDAY

1-As Per Trade

Overtime Codes

Following is an explanation of the code(s) listed in the OVERTIME section of each classification contained in the attached schedule. Additional requirements may also be listed in the HOLIDAY section.

NOTE: Supplemental Benefits are "Per hour worked" (for each hour worked) unless otherwise noted

- (AA) Time and one half of the holiday rate after 7 and one half hours per day
- (A) Time and one half of the holiday rate after 7 hours per day
- (B) Time and one half of the hourly rate after 8 hours per day
- (B1) Time and one half of the hourly rate for the 9th & 10th hours work days and the 1st 8 hours on Saturday. Double the hourly rate for all additional hours
- (B2) Time and one half of the holiday rate after 10 hours per week
- (C) Double the hourly rate after 7 hours per day
- (C1) Double the hourly rate after 7 and one half hours per day
- (D) Double the hourly rate after 8 hours per day
- (D1) Double the hourly rate after 8 hours per day
- (E) Time and one half of the hourly rate on Saturday
- (E1) Time and one half 1st 4 hours on Saturday; Double the hourly rate all additional Saturday hours
- (E2) Saturday may be used as a make-up day at straight time when a day is lost during that week due to inclement weather
- (E3) Between November 1st and March 3rd Saturday may be used as a make-up day at straight time when a day is lost during that week due to inclement weather, provided a given employee has worked between 15 and 32 hours that week
- (E4) Sunday and Sunday may be used as a make-up day at straight time when a day is lost during that week due to inclement weather
- (E5) Double time after 8 hours on Saturdays
- (F) Time and one half of the hourly rate on Saturday and Sunday
- (G) Time and one half of the hourly rate on Saturday and Holidays
- (H) Time and one half of the hourly rate on Saturday, Sunday, and Holidays
- (I) Time and one half of the hourly rate on Sunday
- (J) Time and one half of the hourly rate on Sunday and Holidays
- (K) Time and one half of the hourly rate on Holidays
- (L) Double the hourly rate on Saturday
- (M) Double the hourly rate on Saturday and Sunday
- (N) Double the hourly rate on Saturday and Holidays
- (O) Double the hourly rate on Saturday, Sunday, and Holidays
- (P) Double the hourly rate on Sunday
- (Q) Double the hourly rate on Sunday and Holidays
- (R) Double the hourly rate on Holidays
- (S) Two and one half times the hourly rate for Holidays, if worked

- (S*) Two and one half times the hourly rate the first 8 hours on Sunday or Holidays. One and one half times the hourly rate all additional hours.
- (T) Triple the hourly rate for Holidays, if worked
- (U) Four times the hourly rate for Holidays, if worked
- (V) Including benefits at SAME PREMIUM as shown for overtime
- (W) Three and one half for benefits on all overtime hours.

Holiday Codes

PAID Holidays:

Paid Holidays are days for which an eligible employee receives a regular pay's pay, but is not required to perform work. If an employee works on a day listed as a paid holiday, this remuneration is in addition to payment of the required prevailing rate for the work actually performed.

OVERTIME Holiday Pay:

Overtime holiday pay is the premium pay that is required for work performed on specified holidays. It is only required where the employee actually performs work on such holidays. The applicable holidays are listed under HOLIDAYS; OVERTIME. The required rate of pay for these covered holidays can be found in the OVERTIME PAY section listings for each classification.

Following is an explanation of the code(s) listed in the HOLIDAY section of each classification contained in the attached schedule. The Holidays as listed below are to be paid at the wage rates at which the employee is normally classified.

- (1) None
- (2) Labor Day
- (3) Memorial Day and Labor Day
- (4) Memorial Day and July 4th
- (5) Memorial Day, July 4th, and Labor Day
- (6) New Year's, Thanksgiving, and Christmas
- (7) Lincoln's Birthday, Washington's Birthday, and Veterans Day
- (8) Good Friday
- (9) Lincoln's Birthday
- (10) Washington's Birthday
- (11) Columbus Day
- (12) Election Day
- (13) Presidential Election Day
- (14) 1/2 Day on Presidential Election Day
- (15) Veterans Day
- (16) Day after Thanksgiving
- (17) July 4th
- (18) 1/2 Day before Christmas
- (19) 1/2 Day before New Year's
- (20) Thanksgiving
- (21) New Year's Day
- (22) Christmas
- (23) Day before Christmas
- (24) Day before New Year's
- (25) Presidents Day
- (26) Martin Luther King, Jr. Day
- (27) Memorial Day



New York State Department of Labor - Bureau of Public Work
 State Office Building Campus
 Building 12 - Room 156
 Albany, New York 12240

REQUEST FOR WAGE AND SUPPLEMENT INFORMATION
 As Required by Articles 6 and 9 of the NYS Labor Law

Fax (518) 485-1870 or mail this form for new schedules or for determination for additional occupations.
 [This Form Must Be Typed]

Submitted By: Contracting Agency Architect or Engineering Firm Public Work District Office Date: _____
 (Check Only One)

A. Public Work Contract to be let by: (Enter Data Pertaining to Contracting/Public Agency)

1. Name and complete address (Check if new or change)	2. NY State Units (see item 6)	
	<input type="checkbox"/> 01 DCU <input type="checkbox"/> 02 OSS <input type="checkbox"/> 03 Dormitory Authority <input type="checkbox"/> 04 State University Construction Fund <input type="checkbox"/> 05 Mental Hygiene Facilities Corp. <input type="checkbox"/> 06 OTHER N.Y. STATE UNIT	<input type="checkbox"/> 07 City <input type="checkbox"/> 08 Local School District <input type="checkbox"/> 09 Special Local District, i.e., Fire, Sewer, Water District <input type="checkbox"/> 10 Village <input type="checkbox"/> 11 Town <input type="checkbox"/> 12 County <input type="checkbox"/> 13 Other Non-N.Y. State (Describe)
Telephone: () _____ Fax: () _____ E-Mail: _____		

3. SEND REPLY TO (Check if new or change) Name and complete address	4. SERVICE REQUIRED. Check appropriate box and provide project information.
	<input type="checkbox"/> New Schedule of Wages and Supplements. APPROXIMATE B.C. DATE: _____ <input type="checkbox"/> Additional Occupation and/or Redetermination
Telephone: () _____ Fax: () _____ E-Mail: _____	TMC NUMBER ISSUED PREVIOUSLY FOR THIS PROJECT: _____ OFFICE USE ONLY: _____

B. PROJECT PARTICULARS

5. Project Title _____ Description of Work _____ Contract Identification Number _____ Note: For NYS units, the OSC Contract No. _____	6. Location of Project: Location on Site _____ Route No./Street Address _____ Village or City _____ Town _____ County _____
--	--

7. Nature of Project - Check One:	8. OCCUPATION FOR PROJECT:
<input type="checkbox"/> 1. New Building <input type="checkbox"/> 2. Addition to Existing Structure <input type="checkbox"/> 3. Heavy and Highway Construction (New and Repair) <input type="checkbox"/> 4. New Sewer or Waterline <input type="checkbox"/> 5. Other New Construction (Explain) <input type="checkbox"/> 6. Other Reconstruction, Maintenance, Repair or Alteration <input type="checkbox"/> 7. Demolition <input type="checkbox"/> 8. Building Service Contract	<input type="checkbox"/> Construction (Building, Heavy Highway/Sewer/Water) <input type="checkbox"/> Tunnel <input type="checkbox"/> Residential <input type="checkbox"/> Landscape Maintenance <input type="checkbox"/> Elevator Maintenance <input type="checkbox"/> Exterminators, Fumigators <input type="checkbox"/> Fire Safety Director, NYC Only <input type="checkbox"/> Guards, Watchmen <input type="checkbox"/> Janitors, Porters, Cleaners, Elevator Operators <input type="checkbox"/> Moving furniture and equipment <input type="checkbox"/> Trash and refuse removal <input type="checkbox"/> Window Cleaners <input type="checkbox"/> Other (Describe)

9. Has this project been reviewed for compliance with the Wlaks Law involving separate bidding? YES NO

10. Name and Title of Requester _____ Signature _____

PW-88 (05.11)

SEE PAGE TWO FOR LAWS RELATING TO PUBLIC WORK CONTRACTS



NEW YORK STATE DEPARTMENT OF LABOR
Bureau of Public Work - Debarment List

LIST OF EMPLOYERS INELIGIBLE TO BID ON OR BE
AWARDED ANY PUBLIC WORK CONTRACT

Under Article 8 and Article 9 of the NYS Labor Law, a contractor, sub-contractor and/or its successor shall be debarred and ineligible to submit a bid on or be awarded any public work or public building service contract/sub-contract with the state, any municipal corporation or public body for a period of five (5) years from the date of debarment when:

- Two (2) final determinations have been rendered within any consecutive six-year (6) period determining that such contractor, sub-contractor and/or its successor has WILLFULLY failed to pay the prevailing wage and/or supplements
- One (1) final determination involves falsification of payroll records or the kickback of wages and/or supplements

NOTE: The agency issuing the determination and providing the information, is denoted under the heading 'Fiscal Officer'. DOL = NYS Dept. of Labor; NYC = New York City Comptroller's Office; AG = NYS Attorney General's Office; DA = County District Attorney's Office.

A list of those barred from bidding, or being awarded, any public work contract or subcontract with the State, under section 141-b of the Workers' Compensation Law, may be obtained at the following link, on the NYS DOI Website:

<https://dbr.labor.state.ny.us/EDList/searchPage.cfm>

Article 8

Agency	Contract No.	Contract Description	Contract Value	Start Date	End Date
DOL	NYL	4016 CASTER AVE LLC		02/05/2013	02/05/2013
DOL	DOL	****0711 A JIMARO & SON LTD		10/25/2013	10/25/2013
DOL	DOL	A ULIANO CONSTRUCTION		10/26/2012	10/25/2013
DOL	DOL	****0085 A-1 CONSTRUCTION & RENOVATION INC		01/09/2013	11/06/2013
DOL	NYC	****2486 ABBEY TRAINING CORP		07/02/2012	07/02/2017
DOL	DOL	****0093 ABCO TILE CO		03/26/2013	07/02/2017
DOL	DOL	****6395 ABCO TILE COMPANY		03/26/2013	07/02/2017
DOL	NYC	ABDUL NARIM		05/15/2013	05/15/2013
DOL	DOL	****3400 ABELCRAFT OF NEW YORK CORP		03/27/2013	03/27/2013
DOL	DOL	****1219 ABSOLUTE GENERAL CONTRACTING INC		01/29/2013	01/29/2013
DOL	DOL	****4899 ACCOMPLISH WALL SYSTEMS INC		02/27/2013	02/27/2013
DOL	DOL	****0010 ACCURATE MECHANICAL CO		02/06/2014	02/06/2013
DOL	DOL	ACCLIMATE MECHANICAL OF PHILADELPHIA LLC		02/06/2014	02/06/2013
DOL	DOL	****7564 ADAMS FLOOR COVERING LLC		07/03/2010	07/03/2017
DOL	DOL	ADRSUWA UNKISBE		03/16/2012	03/16/2017
DOL	NYC	ADRIANA SELA	C/O COLONIAL ROOFING COMPANY INC	02/05/2014	02/05/2013
DOL	DOL	****1287 ADVANCED METALS		10/01/2012	10/01/2017
DOL	DOL	AF-PORABLE PAINTING PLLC		03/10/2010	10/01/2013
DOL	DOL	****2326 AGG MASONRY INC		03/10/2013	03/10/2013
DOL	DOL	ALBERT CASH		07/01/2011	07/01/2013
DOL	DOL	ALEJANDRO RATOR		03/27/2011	03/27/2013
DOL	DOL	ALIJER KARIMOV		03/09/2012	03/09/2013
DOL	DOL	****0740 ALSTATE ENVIRONMENTAL CORP		03/08/2013	03/08/2013
DOL	DOL	****4274 AMERICAN SYSTEMS MECHANICAL INC		02/22/2013	02/20/2013
DOL	NYC	ANDERSON LOPEZ		03/14/2011	03/14/2013
DOL	DOL	ANDREW DIPALL		12/11/2012	12/11/2017
DOL	NYC	AMIRAN WRUBLE		03/01/2013	03/01/2013
DOL	DOL	****7354 ANNEX CONTRACTING LTD		03/09/2014	03/09/2013
DOL	DOL	****7004 ANNEX GENERAL CONTRACTORS INC		03/09/2014	03/09/2013
DOL	NYC	ANTHONY CARDINALE		03/09/2012	03/09/2013
DOL	DOL	ANTHONY ULANO		10/28/2013	10/28/2013
DOL	DOL	****3025 ARCO CONTRACTING CORP		03/24/2012	03/24/2017

NYS DOL Bureau of Public Work Department List 03/05/2015

Article 8

DOL	DOL	****8219	APOLLO CONSTRUCTION SERVICES CORP	APOLLO PAINTING CO	467 TIBBETS ROAD YONKERS NY 10790	03/12/2014	03/12/2019
DOL	DOL		APOLLO PAINTING CO		157 TIBBETS ROAD YONKERS NY 10790	03/12/2014	03/12/2019
DOL	DOL	****8245	APOLLO PAINTING CORP		3 ALAN S SHERMAN PLAZA YONKERS NY 10790	03/12/2014	03/12/2019
DOL	AG	****0094	APPLIED CONSTRUCTION INC		45 RUGBY ROAD WEST SUFFY NY 10986	10/20/2013	11/20/2018
DOL	NYC	****3403	AQUA JET PAINTING CORP		15 YIKING DRIVE WEST ISLIP NY 11795	04/15/2014	04/15/2019
DOL	DOL	****6253	ASCAPE LANDSCAPE & CONSTRUCTION CORP		684 ROUTE 608 SLAVELT NY 10959	07/23/2012	11/18/2015
DOL	NYC		AJILEY O'BRIEN		1278 NORTH AVENUE #1 CP NEW ROCHELLE NY 10804	04/07/2013	04/07/2028
DOL	DOL		AVIS R HILL		3510 HICKORY WALK LANE ELLENWOOD GA 30264	01/22/2013	01/22/2019
DOL	DOL	****2504	D & B CONCRETE CONTRACTORS INC		66 OLD TURNER ROAD SUITE 622 HANDE NY 10984	02/04/2011	02/04/2019
DOL	DOL		BARBARA CASHIDY		7 BLOOMING PLACE VALHALLA NY 10985	04/02/2015	04/02/2020
DOL	DOL	****2054	BEDELL CONTRACTING CORP		2 TINA LANE HOWELL JUNCTION NY 12538	01/08/2017	01/08/2017
DOL	DOL	****0999	BEST ROOFING OF NEW JERSEY LLC		30 MIDLAND AVENUE WASHINGTON N. 07097	11/05/2010	11/05/2013
DOL	DOL		BEVERLY F WILLIAMS		1838 PRESIDENT STREET BROOKLYN NY 11225	10/10/2013	10/10/2019
DOL	DOL		BIGDANT BARI		200 FERRIS AVENUE WHITE PLAINS NY 10625	12/04/2009	09/04/2017
DOL	NYC	****3155	BROOKLYN WELDING CORP		1878 NORTH AVENUE #1 CP NEW ROCHELLE NY 10804	04/07/2013	04/07/2028
DOL	DOL	****8154	C & J LANDSCAPING & MAINTENANCE INC		680 PINE HILL ROAD CHESTER NY 10640	06/02/2014	06/02/2019
DOL	DOL		CAKIBANI & ASSOCIATES LLC		442 FERRIS AVENUE WHITE PLAINS NY 10625	12/04/2009	09/04/2017
DOL	DOL		CANTANKI HOLDING LLC		225 FERRIS AVENUE WHITE PLAINS NY 10625	05/04/2012	05/04/2017
DOL	DOL	****1143	CARMODY BUILDING CORP		442 ARMONK ROAD MOUNT KISCO NY 10948	05/04/2012	05/04/2017
DOL	DOL	****6389	CARMODY CONCRETE CORP		442 ARMONK ROAD MOUNT KISCO NY 10948	12/04/2009	05/04/2017
DOL	DOL		CARMODY CONTRACTING CORP		225 FERRIS AVENUE WHITE PLAINS NY 10625	05/04/2012	05/04/2017
DOL	DOL	****8218	CARMODY CONTRACTING INC		225 FERRIS AVENUE WHITE PLAINS NY 10625	03/04/2012	03/04/2017
DOL	DOL		CARMODY ENTERPRISES LTD		225 FERRIS AVENUE WHITE PLAINS NY 10625	12/04/2009	09/04/2017
DOL	DOL	****8112	CARMODY INC		442 ARMONK ROAD MOUNT KISCO NY 10948	12/04/2009	06/04/2017
DOL	DOL	****8312	CARMODY INDUSTRIES INC		442 FERRIS AVENUE WHITE PLAINS NY 10625	05/04/2012	06/04/2017
DOL	DOL		CARMODY MAINTENANCE CORP		105 KIBCO AVENUE MOUNT KISCO NY 10948	03/04/2012	03/04/2017
DOL	DOL	****1024	CARMODY MASONRY CORP		442 ARMONK ROAD MOUNT KISCO NY 10948	12/04/2009	05/04/2017
DOL	DOL	****2612	CARMODY'S INC		225 FERRIS AVENUE WHITE PLAINS NY 10625	12/04/2009	05/04/2017
DOL	NYC	****0172	CASHIDY EXCAVATING INC		14 RAILROAD AVENUE VALHALLA NY 10985	05/18/2014	04/28/2020
DOL	DOL	****1603	CAYONE CONSTRUCTION COMPANY INC		214 ALPINE ROAD ROQUEBSTER NY 14429	03/24/2012	03/24/2017
DOL	DOL		CAYONE ENTERPRISES INC		225 CANTANKI STREET ROQUEBSTER NY 14429	03/24/2012	03/24/2017
DOL	DOL	****8746	CATSKILL FENCE INSTALLATIONS INC		845 ROUTE 82 CATSKILL NY 12414	03/22/2014	04/04/2018
DOL	DOL	****3510	CAZ CONTRACTING CORP		87-11 86TH AVENUE LONG ISLAND CITY NY 11101	01/09/2013	01/09/2019
DOL	DOL	****6855	CERTIFIED INSTALLERS INC		113 N MAPLE AVENUE GREENSBORO PA 15901	02/21/2013	02/21/2018
DOL	NYC		CHARLES CASHIDY JR		14 RAILROAD AVENUE VALHALLA NY 10985	05/16/2014	04/28/2020
DOL	DOL		CHARLES OKRASKI		87 WARD ROAD BALDWIN NY 11513	01/21/2011	01/21/2018
DOL	DOL	****1416	CHEROMINO CONTROL GROUP LLC		61 WILLET ST SUITE 14 PASSAIC NJ 07065	10/03/2009	02/26/2017

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DOL	DOL		CHRIS SAVOIE		44 HILLSIDE HWY ROAD ROCKAWAY NY 10870	10/14/2011	10/14/2018
DOL	DOL		CHRISTOPHER PAPA		QVO TRAC CONSTRUCTION INC 409 ERIE ROAD ROCKAWAY NY 10870	02/03/2011	02/03/2018
DOL	DOL		CHRISTOPHER PREZBYL		2 TINA LANE HOPWELL JUNCTION NY 2550	11/06/2012	01/03/2017
DOL	DOL	****3360	CITY LIMITS GROUP INC		2278 HOLLERS AVENUE BRONX NY 10478	01/07/2014	06/20/2018
DOL	NYC	****1770	COPIRE FAVINER CORPORATION		120-90 231TH AVENUE FLUSHING NY 11354	01/14/2011	01/14/2018
DOL	NYC	****2856	COGNITAL ROOMING COMPANY INC		247 48TH STREET BROOKLYN NY 11220	02/06/2014	02/06/2018
DOL	NYC	****3102	COLORTECH INC		2090 86TH AVENUE MADEIRA NY 11378	11/10/2013	11/10/2018
DOL	DOL	****2642	CONKLN PORTFOLIO LLC		60 COLONIAL ROAD STILLWATER NY 12172	02/18/2014	02/18/2018
DOL	DOL	****2703	CONKLN'S TECH- MECHANICAL INC		6 PARKER AVENUE HOUGHKEE NY 12521	03/26/2014	03/26/2018
DOL	DOL	****4176	CONSOLE DATED INDUSTRIAL SERVICES INC		2051 ROUTE 4456 MODENA NY 12548	12/15/2012	01/26/2018
DOL	DOL		CONSTRUCTION SERVICES		27-41 56TH AVENUE LONG ISLAND CITY NY 11131	08/28/2013	09/28/2018
DOL	DOL	****1742	CORTLAND GLASS COMPANY INC		385 TOMPKINS STREET CORTLAND NY 13816	10/21/2010	07/16/2018
DOL	NYC	****4463	DRAFT CONTRACTING GROUP INC		3258 BRUNER AVENUE BRONX NY 10468	07/20/2014	07/20/2018
DOL	NYC	****6607	DRAFT FENCE INC		3266 BRUNER AVENUE BRONX NY 10468	07/29/2014	07/29/2018
DOL	DOL	****0690	D & G PAINTING & DECORATING INC		65 LITTLE COLLIER ROAD MONTGOMERY NY 12548	04/19/2012	04/19/2017
DOL	DOL		DARYL TRIKES		QVO TRIKES CONTRACTING LLC 4804 CAVALLER ROAD ROCKAWAY NY 10870	05/01/2018	05/01/2022
DOL	NYC		DAWN AYLA AKA DAWN BECHTOLD		151 FLOOR STORE FRONT 69-10 LITTLE NECK PARKWAY FLORHAM PARK NY 11761	08/24/2014	08/24/2018
DOL	NYC		DAWN BECHTOLD AKA DAWN AYLA		151 FLOOR STORE FRONT 69-10 LITTLE NECK PARKWAY FLORHAM PARK NY 11761	08/24/2014	08/24/2018
DOL	DOL		DEAN RUSSELL III		212 OXFORD WAY ROCKAWAY NY 10870	10/11/2012	08/12/2018
DOL	NYC	****8800	DECCA BUILDING CORPORATION		154 EVERGREEN PLACE 101 EAST ORANGE NJ 07010	12/20/2013	12/20/2018
DOL	DOL	****148	DELTA CONTRACTING PAINTING AND DECORATING INC		437 BLAINE STREET WEST BAYLON NY 11707	03/12/2012	03/12/2018
DOL	DOL	****3550	DELTA CONTRACTING PAINTING AND DECORATING INC		76 MCCULLOUGH DRIVE DIX HILLS NY 11746	10/09/2010	08/12/2018
DOL	DOL		DEMETRIE KHUTSOBARA		596 BEECH STREET NEW HYDE PARK NY 11540	07/02/2012	07/02/2017
DOL	DOL	****3263	DESANTIS ENTERPRISES		101 OSWEGO RIVER ROAD FRIDEN NY 13753	08/24/2013	11/19/2018
DOL	NYC	****6231	DEWATHES PLUMBING AND HEATING LLC		50 COLUMBUS CIRCLE HASTONSETTLE NY 10728	09/21/2012	08/21/2017
DOL	DOL	****1062	DI BERNARDO TILE AND MARBLE CO INC		15 WALKER WAY ALDANS NY 2805	08/12/2017	08/12/2018
DOL	DOL		DIANE DEWATER		721 WAWWICK TURNPIKE HEWITT NJ 07821	09/20/2012	12/11/2017
DOL	DOL		DON'S BRICK		QVO APCU CONTRACTING CORP 24 SOUTH LAWRENCE AVENUE PORT WASHINGTON NY 11850	08/24/2012	08/24/2017
DOL	DOL	****6982	DUFOR GROUP INC	RAIFOR MASONRY	883 WEST 30TH STREET 47M NEW YORK NY 10018	08/10/2014	08/10/2018
DOL	DOL		DUFOR MASONRY		633 WEST 66TH ST 47M NEW YORK NY 10019	08/10/2014	08/10/2018
DOL	DOL		DUFOR MASONRY & RESTORATION INC		262 WEST 66TH STREET 47M NEW YORK NY 10019	08/10/2014	08/10/2018
DOL	DOL	****5800	DYNA CONTRACTORS INC		203 86TH STREET BROOKLYN NY 11208	11/10/2013	11/10/2018
DOL	DOL		HARL CALBREATH		840 ASHFORD AVENUE ARDBURY NY 12002	03/27/2012	08/27/2018

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DOL	DOL	****268	EAST COAST DRYWALL INC		1283 FIVE POINT STREET BROOKLYN NY 11226	11/18/2014	11/18/2014
DOL	DOL	****0011	ECHO CLEANING CONTRACTORS INC		P O BOX 211022 BROOKLYN NY 11221	05/16/2012	05/16/2017
DOL	NYC	****8074	ECONOMY IRON WORKS INC		370 SOUTHERN BLVD BRONX NY 10458	06/24/2011	08/14/2019
DOL	DOL		EDWARD I. GAUTHIER		C/O IMPERIAL MASONRY REST 147 ARSONNE DRIVE KENMORE NY 14217	10/03/2012	10/03/2017
DOL	NYC		EDWARD MENKEN		C/O ACLA JET PAINTING 13 WIKING DRIVE WEST ISLIP NY 11735	02/08/2014	04/09/2013
DOL	NYC	****0900	EF PRO CONTRACTING INC		147 BROOME AVENUE ATLANTIC BEACH NY 11509	03/03/2014	03/03/2016
DOL	NYC		EFSTRATIOS BERNARDIS		66-79 167TH STREET LONG ISLAND CITY NY 11102	04/24/2014	04/24/2019
DOL	DOL	****8200	EL FREDDI SPECIAL CLEANING INC		88-20 70TH STREET CORONA PARK NY 11416	10/12/2011	10/12/2016
DOL	DOL		ELIZABETH RAMADANI		C/O RAMADA CONSTRUCTION 30 SAUCY COOPERATED ISLAND NY 11830	01/07/2014	01/07/2018
DOL	DOL		ELLEN DESANTIS	DEBANTIA ENTERPRISES	201 CROMBIE RIVER ROAD PHOENIX NY 14858	05/24/2013	11/18/2010
DOL	DOL	****0760	EMER HEATING & PLUMBING CENTR		5 EMER LAKE MORSEY NY 14862	01/04/2002	01/04/2002
DOL	AG		EMILIO FRANZA		60 JUNIUS STREET BROOKLYN NY 11212	07/28/2014	05/23/2019
DOL	DOL		EMPIRE CONCRETE SERVICES LLC		101 SULLYS TRAIL SUITE 20 PITTSFORD NY 14834	11/10/2013	01/07/2015
DOL	DOL	****0811	EMPIRE CONCRETE SYSTEMS LLC		101 SULLYS TRAIL SUITE 2 PITTSFORD NY 14834	11/18/2013	01/07/2019
DOL	DOL	****7865	EMPIRE CONSTRUCTORS LLC		101 SULLYS TRAIL SUITE 20 PITTSFORD NY 14834	11/16/2016	01/07/2019
DOL	DOL		EMPIRE PRECAST LLC		101 SULLYS TRAIL SUITE 20 PITTSFORD NY 14834	11/16/2016	01/07/2019
DOL	DOL		ENIKA BARNEY		860 BEACH BRIDGE LAKE UNIT GARVEENH NY 14852	02/03/2018	02/02/2018
DOL	DOL		ESTEVES & KHAGA CONSTRUCTION CO INC		680 MADISON AVENUE PATERSON NJ 07627	01/02/2013	01/02/2015
DOL	DOL		ESTEVES & KHAGA INC		655 MADISON AVENUE PATERSON NJ 07621	01/02/2013	01/02/2019
DOL	DOL		EVELIO ELLEDIAS		114 PEARL STREET PORT CHESTER NY 10573	06/16/2012	06/16/2017
DOL	NYC		EVERTON CARLESB		134 EVERGREEN PLUSTE 101 EAST ORANGE NJ 07019	12/02/2012	12/02/2018
DOL	DOL		F KALAFATIS		2279 HOLLERS AVENUE BRONX NY 10476	01/07/2014	03/23/2019
DOL	DOL	****0067	FANTASTIC PAINTING		485 LAMRING ROAD FULTONVILLE NY 12072	11/10/2015	11/10/2018
DOL	DOL	****1211	FAM-FORNO INC		3620 124th AVENUE BROOKLYN NY 11219	10/07/2011	10/21/2016
DOL	DOL		FLOZ-ON PAINTING & DECORATING INC		12 DUNDERRIDGE ROAD TOWNKING NY 12088	10/16/2013	01/02/2016
DOL	DOL	****0061	FLOZ-ON PAINTING & DECORATING INC		12 DUNDERRIDGE ROAD TOWNKING NY 12088	10/16/2013	12/10/2018
DOL	DOL		FMB		4 LESHORN DRIVE NEW YORK NY 11748	11/26/2012	11/26/2017
DOL	DOL	****0067	FORTH & FORT FLOORING INC		P O BOX 74 5487 GRACEHELM NY 12061	04/20/2012	10/04/2017
DOL	DOL		FRAN MICELI		2279 HOLLERS AVENUE BRONX NY 10476	01/07/2014	03/23/2019
DOL	DOL		FRANCIS KALAFATIS		2279 HOLLERS AVENUE BRONX NY 10476	01/07/2014	03/23/2019
DOL	DOL		FRANCIS KALAFATIS MICELI		2279 HOLLERS AVENUE BRONX NY 10476	01/07/2014	03/23/2019
DOL	NYC		FRANK ACCIOLLA		61 GAYLOND ROAD SCARSDALE NY 10583	02/10/2011	02/10/2018
DOL	DOL		FRANK J MERRIANDO		134 PLURWAY AVENUE YONKERS NY 10704	12/11/2005	02/09/2019
DOL	DOL		FRANK MICELI JR	C/O FRANK MICELI JR CONTRACTING & INC	19 CLIFF STREET NEW ROCHELLE NY 10801	12/13/2013	01/10/2018
DOL	DOL	****1022	FRANK MICELI JR CONTRACTING INC		19 CLIFF STREET NEW ROCHELLE NY 10801	12/13/2013	10/10/2018

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DOL	DOL		TRED ADDO	ABDO TILE COMPANY AKA ABDO TILE CO	5178 EAST MOLLOY ROAD EAST SYRACUSE NY 13057	08/28/2010	07/02/2017
DOL	DOL	****2724	FRESH START PAINTING CORP		167 TIBBETS ROAD YONKERS NY 10705	03/12/2014	03/12/2016
DOL	DOL		G FUGO CONSTRUCTION SERVICES		3 ALAN B SHEPARD PLACE YONKERS NY 10705	08/12/2014	03/12/2018
DOL	DOL	****6787	G FUGO PAINTING INC		640 S HIGGEL & JIHERA 1 MAIDEN LANE - 6TH FLOOR YORK NY 13088	03/12/2014	05/12/2018
DOL	DOL	****4593	GAT PAINTING LLC		167 TIBBETS ROAD YONKERS NY 10705	03/12/2014	03/12/2019
DOL	DOL		GARDEN STATE PAINTING		167 TIBBETS ROAD YONKERS NY 10705	04/12/2014	03/12/2019
DOL	DOL		GARY HODOWELL	BY CONSTRUCTION & LAWN CARE SERVICE	73 PLASKANT STREET WELLSVILLE NY 14880	06/11/2013	05/11/2018
DOL	DOL		GEORGE A PATRICK		P O BOX 772 JAMES TOWN NY 13771	03/19/2010	05/13/2018
DOL	DOL		GEORGE DI BERNARDO		610 DI BERNARDO TILE 16 WALKER WAY/LEAKY NY 12205	06/21/2014	03/12/2019
DOL	NYC		GEORGE LUCEY		160 GIBBS STREET 3RD FLOOR NY 12211	01/18/2009	01/18/2008
DOL	DOL		GERALD A POLLOCK		366 TOMPKINS STREET CORTLAND NY 13046	08/20/2013	07/15/2016
DOL	DOL		GERALD F POLLOCK JR		2583 BRIGHTON HENRIETTA TOWN LINE ROAD/COLESTER NY 14022	11/04/2010	11/04/2015
DOL	DOL	****1978	GLOBAL WALK CONSTRUCTION LLC		P O BOX 1288 SALINA NY 14036	11/28/2012	11/28/2017
DOL	DOL	****2878	GM CONSTRUCTION & LAWN CARE SERVICE		76 PLEASANT STREET WELLSVILLE NY 14895	06/11/2016	06/11/2016
DOL	DOL	****0682	GOLDEN FLOORING INSTALLATIONS INC		70 HARTON ROAD MONTGEO NY 12701	10/16/2016	10/16/2018
DOL	DOL		GREGORY A FUGO		610 PAT PAINTING SERVICES 167 TIBBETS ROAD/ONKERS NY 10705	03/12/2014	03/12/2019
DOL	DOL		GREGORY FUGO JR		610 APOLLO CONSTRUCTION 167 TIBBETS ROAD/ONKERS NY 10705	03/12/2014	03/12/2019
DOL	DOL		GRETCHEN BULLIVANT		P O BOX 130 CHATELAIN NY 12017	11/10/2011	11/10/2016
DOL	DOL	****7180	GRYF CONSTRUCTION INC		364 SPOTSWOOD ENGLISH RD MONTICELLO NY 12520	08/08/2011	08/08/2016
DOL	DOL	****9465	GUILLO CONTRACTING CORP		P O BOX 225 GALVERTON NY 11930	07/28/2013	07/28/2018
DOL	DOL		GUS PARAFETANGU		610 G & B PAINTING & DRILL 68 LITTLE COLLADAY ROAD/MONTECOWETY NY 12549	04/12/2012	04/19/2017
DOL	NYC	****1045	H R H CONTRACTORS CORP		780 BROADWAY # 6 NEW YORK NY 10040	08/24/2014	03/04/2018
DOL	DOL		H.H. RAUH CONSTRUCTION, LLC		2800 RT. 294 MONTICELLO NY 12520	01/14/2011	01/14/2016
DOL	DOL	****2438	H.H. RAUH CON CONTRACTING CO. LLC		2800 RT. 294 MONTICELLO NY 12520	01/14/2011	01/14/2016
DOL	DOL		H.H. RAUH PAVING, INC.		7 WEST 1ST ST. LAKEWOOD NY 14780	01/14/2011	01/14/2016
DOL	DOL		HANSEN FOSTOK		5 HANSEN PLACE WAYNE NJ 07472	05/18/2013	05/18/2018
DOL	NYC		HAMEEDULLAHAN		261 HOME STREET TRAFALGAR NJ 07986	08/04/2014	08/04/2016
DOL	AD	****9513	HARA ELECTRIC CORP		231 4TH STREET ASTORIA NY 11100	08/28/2015	08/28/2018
DOL	DOL	****8405	HARD LINE CONTRACTING INC		88 BOLSON AVENUE MOUNT VERNON NY 10550	10/23/2011	10/23/2016
DOL	AG		HARVINDER SINGH PALL		30 JUNILS STREET HOOVER NY 11212	01/23/2014	01/23/2016
DOL	DOL		HARPOH CONTRACTING CORP		114 PEARL STREET PORT CHESTER NY 10573	03/18/2012	03/18/2017
DOL	DOL	****7321	HIDDEN VALLEY EXCAVATING INC		225 BEYACOUR STREET FREDONIA NY 14083	02/06/2011	02/06/2016
DOL	DOL	****6370	HILLIARD CONSTRUCTION & ELECTRICAL INC		253 MAGNOLIA STREET ROCHESTER NY 14611	01/22/2015	01/22/2020

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DOL	DOL	****6420	IMPERIAL MASONRY RESTORATION INC	141 ARGONNE DRIVE KENMORE NY 12217	10/05/2012	02/21/2017
DOL	DA	****1926	IRON HORSE ONE INC	70 ROSWELL AVENUE GREENSBORO NY 11672	06/30/2010	03/30/2015
DOL	DOL		ISABEL PRAGA	C/O THREE FRIENDS CONSTR 163 MADISON AVENUE WATERBURY NJ 07070	01/03/2016	01/03/2016
DOL	DOL	****7560	J M RICHILO	P O BOX 266 STILLWATER NY 12170	09/16/2016	02/21/2019
DOL	DOL	****5473	J N P CONSTRUCTION CORP	30 LOCUS COURT P O BOX 100780 LACKENBACH NY 07065	03/21/2014	02/21/2019
DOL	DOL		J N RICH LLC	P O BOX 286 STILLWATER NY 12170	03/16/2010	08/21/2019
DOL	DOL	****9329	J TECH CONSTRUCTION	PO BOX 64702 ROCHESTER NY 14624	09/24/2012	08/24/2017
DOL	DOL		J THE HANDYMAN		08/24/2012	08/24/2017
DOL	DOL	****6570	J V M BIG TOUGH CORPORATION	64-25 67TH AVENUE, APT 5G ELM LUST NY 11378	03/12/2010	01/16/2020
DOL	DOL		JACQUELINE HOWE	C/O FLOZ-ON PAINTING INC 12 DUNDERBERG ROAD TOWNKING NY 13396	10/16/2010	10/16/2018
DOL	DOL	****0622	JAG LLC	385 LUZERNE ROAD QUEENSBURY NY 12864	09/16/2016	03/16/2018
DOL	DOL	****2886	JAD INDUSTRIES INC	778 BROAD ST - SUITE 322 CLINTON FALLS NY 13051	09/12/2013	06/13/2016
DOL	DOL		JAMES ROYCE	C/O EMPIRE CONCRETE SYSTEMS 40 SULLY ST - TRAILBLAZER 200178 LUDLOW NY 14654	11/16/2013	01/07/2019
DOL	DOL		JAMES SOKAL	4200 SHEPHERD ROAD NORTH COLTON NY 14111	04/18/2011	12/20/2016
DOL	DOL		JAMES WALSH	42 BISSON AVENUE MOUNT VERNON NY 10956	10/28/2011	11/28/2016
DOL	DOL		JASON M RICH	P O BOX 266 STILLWATER NY 12170	09/16/2016	02/21/2019
DOL	DOL		JAY PERBOUTI	C/O GONGORA TRADING INDUSTRIAL 2051 ROUTE 44/56N OGDEN NY 13346	01/25/2015	01/25/2019
DOL	DOL		JIMMY BRADLEY	850 PINE HILL ROAD CHESTER NY 13240	06/25/2014	06/25/2018
DOL	NYC		JEFFREY CASBOY	4140 ROAD AVENUE VALHALLA NY 10986	05/16/2014	01/02/2020
DOL	DOL		JERALD POWR	C/O FLOZ-ON PAINTING VO 12 DUNDERBERG ROAD TOWNKING NY 13396	10/16/2010	12/13/2018
DOL	DOL		JEROME ACITIGNOLA	C/O CATSKILL PSCOL INSTAL 544E ROUTE 62 CATSKILL NY 12411	08/22/2014	09/22/2019
DOL	NYC		JERRY DEWATERS	30 201 JIMMUS CIRCLE SAATCHI CENTER NY 10709	08/21/2012	06/21/2017
DOL	DOL		JOHN CATONE	C/O CATONE CONSTRUCTION 257 A PINE ROADS COHEN NY 14612	03/05/2013	08/05/2017
DOL	DOL		JOHN DESJARDIS	487 SUNNYSIDE HIGHWAY A WEST BABYLON NY 11794	06/12/2015	06/12/2019
DOL	NYC		JOHN HOAREAU	120 35 23TH AVENUE FLUSHING NY 11354	01/14/2011	01/14/2013
DOL	DOL		JOHN H LEE	JOHN LEE QUALITY PAVING 37 WILER ROAD HILLTON NY 14468	01/28/2013	01/28/2018
DOL	DOL	****749	JOHN LEE QUALITY PAVING	37 WILER ROAD HILLTON NY 14468	01/28/2013	01/28/2018
DOL	DOL	****9701	JOHN SMYRLA	APPROXIMATE PAINTING PLUMBING 367 GREEVES ROAD HEW HAMPTON NY 10956	10/01/2010	10/01/2016
DOL	DOL	****8306	JORGE FURLEON	J TECH CONSTRUCTION PO BOX 24762 ROCHESTER NY 14624	09/24/2012	09/24/2017
DOL	DOL		JORGE OLIVERA	644 BOUNDVIEW LANE COLLEGE POINT NY 11735	11/22/2011	11/22/2018
DOL	DOL		JORGE MALLAPOS	64-25 67TH AVENUE - APT 6 ELM LUST NY 11378	01/12/2019	01/12/2020
DOL	DOL		JOSE MONTAS	27 BURNETT PLACE YONKERS NY 10710	03/18/2011	03/18/2018
DOL	DOL		JOSEPH CASJOC	3823 14TH AVENUE BROOKLYN NY 11230	10/27/2011	10/27/2018

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DOL	DOL		JOSEPH MARTONE		112 OROAWANA - EIGHTS ROAD PUTNAM VALLEY NY 10642	06/27/2013	08/27/2010
DOL	DOL		LOSIKIA HERSKOWSKY		9547 BURLINGTON AVENUE PHILADELPHIA PA 19116	08/08/2014	02/06/2011
DOL	DOL		JOYANLISCOLOINO		1081 CHARLES STREET HORRWOOD NY 10654	09/03/2013	08/03/2013
DOL	DOL		JANA MARTINEZ		610 LEAD CONSTRUCTION 27 BUTLER PLACE YONKERS NY 10710	03/10/2015	03/18/2020
DOL	DOL	****4840	JUDCO SITE DEVELOPMENT INC		483 LAKEVIEW AVENUE VALHALLA NY 10988	12/15/2013	12/18/2019
DOL	DOL		JULIUS AND OITA BEHREND		6 EMES LANE MOYSEY NY 10982	11/20/2003	11/20/2012
DOL	DOL		KAREN LAM'VAN		610 GULLS CONTRACTING P O BOX 2260 ALVERTON NY 11732	07/08/2013	07/04/2010
DOL	NYC		KATHLEEN BEJA	C/O COLONIAL ROOFING COMPANY INC	247 10TH STREET BROOKLYN NY 11220	02/06/2014	02/06/2013
DOL	DOL		KEITH SCOPUS		C/O K'S HAUNDO AND HOME 95 MAPLE AVENUE NEW CITY NY 13666	04/15/2013	04/15/2016
DOL	DOL		KEN CRAVER		731 WARWICK TURNPIKE HEWITT NJ 07421	08/26/2012	12/11/2017
DOL	DOL		KEVIN BABCOCK JR		P O BOX 46 THOMPSON RIDGE NY 10985	08/22/2014	08/25/2010
DOL	DOL		KEVIN M BABCOCK		P O BOX 48 THOMPSON RIDGE NY 10986	09/23/2014	08/22/2010
DOL	DOL	****8011	KINOSVIEW ENTERPRISES INC		714 FIRST STREET P O BOX 2 LAKEWOOD NY 14662	03/14/2011	01/14/2013
DOL	DOL	****2483	KJB HAULING AND HOME IMPROVEMENT INC		88 MAPLE AVENUE NEW CITY NY 13666	04/15/2013	04/15/2010
DOL	AG		4087 ASHBOURNE ANDRIKPOULOS		2401 4TH STREET ASTORIA NY 17105	08/28/2013	08/23/2013
DOL	DOL		KRZYSZTOF PRZYBYL		21 NA LANE HOPSWELL JUNCTION NY 12533	01/08/2012	01/08/2017
DOL	DOL	****1832	KUNSKY CONSTRUCTION		2277 ANAWALK ROAD SAVOINAH NY 10982	08/03/2012	08/23/2017
DOL	DOL	****0623	LAGUARDIA CONSTRUCTION CORP		47-10 46TH STREET WOODSIDE NY 11377	07/01/2011	07/01/2013
DOL	NYC	****3E16	LAKE CONSTRUCTION AND DEVELOPMENT CORPORATION		150 KINGS STREET BROOKLYN NY 11231	03/16/2008	03/16/2009
DOL	DOL	****8224	LAKEBOLD FIRE SPRINKLERS LLC		123 CHARLAQUA AVENUE LAKEWOOD NY 14759	03/24/2010	05/21/2020
DOL	DOL		LARRY DOMINGUEZ		114 PEARL STREET PHILADELPHIA NY 10573	08/30/2012	08/15/2017
DOL	DOL		LAURA A. CAUTHICK		C/O IMPERIAL MASONRY 8801 MARGONKE DR YERKENYORE NY 4217	10/24/2012	10/26/2017
DOL	DOL		LAURI MARTONE		112 OROAWANA EIGHTS-118 ROAD PUTNAM VALLEY NY 10642	05/27/2013	05/27/2013
DOL	DOL		LAVENA OLIVE		C/O RAW POWER ELEC INC 3 PARK CIRCLE MIDDLETOWN NY 20840	09/15/2017	09/15/2016
DOL	DOL		LAWRENCE J SUGGLES		P O BOX 371 ROUND LAKE NY 12257	05/12/2014	07/22/2013
DOL	DOL	****834	LEAD CONSTRUCTION SERVICES INC		2 ALAN B HEPARD PLACE YONKERS NY 10706	03/18/2013	03/19/2010
DOL	DOL	****0587	LEED INDUSTRIES CORP	H-7601 CONTRACTOR CORP	116 PEART STREET PORT CHESTER NY 10573	06/16/2012	06/16/2017
DOL	AG		LEONID FRIDMAN		APT 5 205 3RD STOK 16TH STB BROOKLYN NY 11236	07/23/2013	07/23/2010
DOL	DOL		LINDSEY R GRILL		145 FILLMORE AVENUE SUFFERC NY 14213	01/08/2015	01/08/2020
DOL	DOL	****3463	LINPHILL ELECTRICAL CONTRACTORS INC		325 BOUTH 10TH AVENUE MOUNT VERNON NY 10550	01/07/2011	04/15/2013
DOL	DOL		LINVAL BROWN		323 SOUTH 10TH AVENUE MOUNT VERNON NY 10553	01/07/2011	04/15/2016
DOL	NYC	****2883	LVA 2 FLAGE CONTRACTING CORP		2518 120TH STREET ENCLUMEN NY 11568	08/21/2013	08/21/2013

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DOL	NYC	****0917	M S QUALITY CONSTRUCTION LLC		27 MAPLEWOOD AVENUE COLONIA NJ 07067	02/04/2015	02/04/2020
DOL	NYC		YADIEJ BONTOWSKI		27 MAPLEWOOD AVENUE COLONIA NJ 07067	02/04/2015	02/04/2020
DOL	NYC	****3447	MAKSEY REED ELECTRIC INC		1ST FLOOR STORE FRONT 86-10 LITTLE NECK PARKWAY LORAL PARK NY 11062	09/24/2014	09/24/2019
DOL	DOL		MANUEL ESTEVEZ		86 OLD TURNPIKE ROAD SUITE 67 MANHATTAN NY 10864	02/04/2011	02/04/2015
DOL	NYC		MANUEL P TORRES		100 KINGS STREET BROOKLYN NY 11241	08/18/1990	08/18/2008
DOL	NYC		MANUEL TOBIO		100 KINGS STREET BROOKLYN NY 11241	08/19/1990	08/19/2008
DOL	DOL		MAR CONTRACTING CORP		320 COMMERCE STREET THORNHURST NY 13094	09/24/2012	09/24/2017
DOL	DOL		MARGARET FORTI		P O BOX 77 EAST GREENBUSH NY 12063	08/26/2012	10/1/2017
DOL	DOL		MARIA ESTEVEZ AKA MARIA MARTINEZ		60 THREE FRIENDS CONSTR 288 MADISON AVENUE PATERSON NJ 07651	01/09/2018	01/03/2015
DOL	DOL		MARIA MARTINEZ AKA MARIA ESTEVEZ		60 THREE FRIENDS CONSTR 288 MADISON AVENUE PATERSON NJ 07651	01/09/2018	01/03/2015
DOL	DOL		MARIO LUIS		81 DURANT AVENUE DUTCHESS NY 12521	07/02/2012	07/02/2015
DOL	DOL		MARIO R ESCHEVERRIA JR		688 MEACHAM AVE-SUITE 108 SIMONY NY 11055	08/24/2018	08/24/2015
DOL	DOL	****0323	MARQUISE CONSTRUCTION & DEVELOPMENT CORP		10 ST CHARLES STREET THORNWOOD NY 10894	09/09/2018	09/09/2018
DOL	DOL	****3010	MARQUISE CONSTRUCTION ASSOCIATES INC		20 BORNELL ROAD PUTNAM VALLEY NY 10979	08/03/2013	08/03/2018
DOL	DOL	****1134	MARQUISE CONSTRUCTION CORP		10 ST CHARLES STREET THORNWOOD NY 10894	10/05/2012	08/03/2018
DOL	NYC	****M014	MASON RESTORATION INC		129-08 10TH AVENUE COLLEGE POINT NY 11358	02/09/2012	02/09/2017
DOL	NYC	****3814	MASON RESTORATION LLC		129-08 10TH AVENUE COLLEGE POINT NY 11358	02/09/2012	02/09/2017
DOL	DOL	****0346	MASONRY CONSTRUCTION INC		442 ARMOUR ROAD MOUNTAIN VIEW NY 10949	12/04/2009	05/04/2017
DOL	DOL	****0293	MASONRY INDUSTRIES INC		442 ARMOUR ROAD MOUNTAIN VIEW NY 10949	12/04/2009	05/04/2017
DOL	DOL	****0857	MBC CONTRACTING CORPORATION		2923 ST RAYMOND AVENUE BROOKLYN NY 11231	08/09/2011	08/09/2016
DOL	DOL	****5026	MCM 11094 INTERIORS LLC		6631 AVENUE S BROOKLYN NY 11230	02/05/2013	02/05/2018
DOL	DOL	****8456	MCSI ADVANCED AV SOLUTIONS LLC		2085 BRIGHTON HENRIETTA TOWN LINE ROAD ROCHESTER NY 14623	11/04/2014	11/04/2016
DOL	DOL	****4250	MERCANTO CONTRACTING CO INC		134 MURRAY AVENUE YONKERS NY 10764	12/11/2009	02/02/2016
DOL	DOL	****0327	MERCANTO INDUSTRIES LLC		134 MURRAY AVENUE YONKERS NY 10764	12/11/2009	02/02/2016
DOL	NYC	****5230	METRO DUCT SYSTEMS INC		12-19 AMYRIA BOULEVARD LONG ISLAND CITY NY 11102	04/06/2014	06/04/2019
DOL	DOL	****9289	Meyer CONSTRUCTION CO INC		23 CROSS STREET FALCONER NY 14730	12/02/2014	12/02/2019
DOL	DOL	****0109	MICHAEL GZELCHOWICZ	OCTAGON CO	37-11 35TH AVENUE 2ND FL LONG ISLAND CITY NY 11101	01/09/2013	01/09/2019
DOL	DOL		MICHAEL F LEARY JR		88-3 SNOWDEN HILL ROAD NEW HARTFORD NY 13419	05/19/2012	05/19/2018
DOL	DOL		MICHAEL F LEARY JR MICAL BULL & DRISCOLL		88-3 SNOWDEN HILL ROAD NEW HARTFORD NY 13419	05/19/2012	05/19/2018
DOL	DOL		MICHAEL MISTAKIS		263 80TH STREET BROOKLYN NY 11208	11/19/2013	11/19/2018
DOL	DOL	****8003	MICHAEL KISHNER	KLEBER CONSTRUCTION	287 ANAVALK ROAD KATONAH NY 10894	08/08/2012	08/08/2017
DOL	DOL		MICHAEL MARCOLIN		4181 JORDAN COURT NEW YORK NY 11748	11/08/2012	11/08/2017
DOL	DOL		NICHELLE L BARBER		626 LUSHERNE ROAD QUEENSBURY NY 12851	09/16/2013	09/16/2018
DOL	DOL	****2389	MIDLAND CONSTRUCTION OF DELAWARE LLC INC		1326 CALUMET AVENUE CEDAR LAKE IL 60812	11/02/2011	11/02/2016
DOL	NYC		MUSFI AODGA		26-13 100TH STREET EAST ELMHURST NY 11439	06/21/2013	06/21/2018

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DOL	NYC		V LANCE HAZZIO		22 CALIFORNIA AVE - STE 1 PATERSON NJ 07653	08/11/2016	09/11/2010
DOL	DOL	****0617	MILLENNIUM PAINTING INC		87 DIARD ROAD SAIT POINT NY 12573	01/21/2011	01/21/2016
DOL	AR		MOHAMMAD HAZ		48 RUGBY ROAD WESTBURY NY 11590	11/20/2016	11/20/2010
DOL	NYC	****2090	MONDOL CONSTRUCTION INC		11-27 80TH DRIVE LONG ISLAND CITY NY 11102	05/25/2011	05/25/2010
DOL	DOL		MORTON LEVINE		8528 BAYFIELD BOULEVARD OCEANSIDE NY 11972	05/22/2011	06/20/2010
DOL	DOL	****2737	MOUNTAIN'S AIR INC		2471 OCEAN AVENUE- BLDG 7A PROCTOR NY 11229	09/24/2012	08/24/2017
DOL	NYC		MUHAMMAD ZULFIQAR		128-08 19TH AVENUE COLLEGE POINT NY 11366	02/05/2012	02/05/2017
DOL	DOL	****2657	MUNDO PAL MILLING & MIX-IN-PLACE		8091 ERIE ROAD ANGOLA NY 14028	02/02/2011	02/02/2010
DOL	DOL		MURRAY FORTY		P O BOX 74 EAST GREENBUSH NY 12061	02/28/2012	10/01/2017
DOL	DOL		MUZAFFAR HUSSAIN		60 ABSOLUTE BIENAL SUITE 1123 AVENUE USROCKIN NY 11278	01/20/2013	01/20/2010
DOL	NYC	****1294	NEW AMERICAN RESTORATION INC		22 CALIFORNIA AVE - STE 1 PATERSON NJ 07653	03/11/2015	03/11/2010
DOL	DA	****6802	NEW YORK INSULATION INC		60-18 89TH STREET MASPETH NY 11370	05/14/2013	05/08/2020
DOL	DOL		NICHOLAS PROVENZANO	NJ PROVENZANO & COMPANY	1088 ROUTE 9 GLENS FALLS NY 12061	05/25/2013	05/23/2010
DOL	NYC		NICHOLAS PROVENZANO		147 BROOME AVENUE ATLANTIC BEACH NY 11508	03/03/2014	03/03/2010
DOL	NYC		NICHOLAS PROVENZANO		147 BROOME AVENUE ATLANTIC BEACH NY 11508	03/06/2014	03/03/2010
DOL	DOL		NICHOLAS PEARRES		466 N WELLSWOOD AVE STE C JENKINTOWN NJ 07033	05/01/2011	09/01/2013
DOL	DOL	****2278	NJ PROVENZANO & COMPANY		1600 ROUTE 9 GLENS FALLS NY 12061	05/23/2013	05/23/2010
DOL	DOL		NJ PROVENZANO & SONS CONSTRUCTION		1600 ROUTE 9 GLENS FALLS NY 12061	05/23/2013	05/23/2010
DOL	NYC	****1908	NORTH AMERICAN IRON WORKS INC		1530 LOCATOR STREET ROCKWOOD NY 11895	06/10/2010	05/18/2020
DOL	DOL	****9166	OCTAGON CO		37-11 106TH AVENUE AND FL LONG ISLAND CITY NY 11106	03/06/2013	01/06/2010
DOL	DOL		OKAY SLOVAK		1941 EAST 96TH STREET ROCKAWAY NY 11764	06/04/2012	05/04/2017
DOL	NYC		OLIVER HOLGUIN		66-08 75TH STREET OZONE PARK NY 11365	10/12/2011	10/12/2010
DOL	NYC	****6327	OPTIMUM CONSTRUCTION INC		23-73 46TH STREET LONG ISLAND CITY NY 11102	04/24/2014	04/24/2010
DOL	NYC		ORSON ARROYO		60 METRO DUCT SYSTEMS 12-15 ASTORIA ROLLINGWOOD LONG ISLAND CITY NY 11109	04/10/2014	09/24/2010
DOL	DOL	****4546	PAT PAINTING CORP		71 THIBETTS ROAD YONKERS NY 10736	03/12/2014	04/12/2010
DOL	DOL	****5242	PAT PAINTING SERVICES INC	GARDEN STATE PAINTING	167 TEBBETTS ROAD YONKERS NY 10736	03/12/2014	03/12/2010
DOL	DOL		PAT PAINTING SERVICES OF WESTCHESTER INC		310 SPIDGL & UTREDA MADISON AVE - 6TH F. NEW YORK NY 10032	03/12/2014	03/12/2010
DOL	DOL	****1902	PAT'S HEATING AND AIR CONDITIONING LTD		P O BOX 874 ROCKY HILL CT 06867	03/12/2014	05/12/2010
DOL	DOL		PATRICIA M RUGGLES		P O BOX 874 ROCKY HILL CT 06867	03/12/2014	05/12/2010
DOL	DOL		PAUL VERNA		600 AMERICAN STEEL MECHANICAL -603 PAINTER STREET MEDIA PA 19023	09/20/2013	02/20/2010
DOL	DOL	****5608	PERFORM CONCRETE INC		21 DURANT AVENUE ROCKY HILL CT 06867	07/22/2012	07/22/2017
DOL	NYC		PETER LUSTIG		30 COLUMBUS CIRCLE EASTCHESTER NY 10709	08/21/2012	08/21/2017
DOL	NYC		PETER LUSTIG		8300 80TH AVENUE MASPETH NY 11370	11/10/2013	11/10/2010
DOL	DOL	****7814	PRECISION SITE DEVELOPMENT INC		89 HILSON AVENUE MOUNTAIN VIEW NY 11756	10/28/2011	10/28/2010

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DOL	DOL	****6089	PROFESSIONAL ESTIMATING & BUSINESS CORP		107 HEBBETS ROAD YONKERS NY 10705	05/12/2014	03/12/2015
DOL	DOL	****6890	PROLINE CONCRETE OF WNY INC		5280 SHIRLEY ROAD NORTH COLLINS NY 14111	06/18/2014	12/30/2015
DOL	DOL	****0015	RAMAIA CONSTRUCTION CORP		80 SAVO CORP STATEN ISLAND NY 10306	01/07/2014	2/18/2015
DOL	DOL		RANA A KAHN		1978 11ST ST. SUITE A-8 BROOKLYN NY 11214	01/06/2010	01/06/2010
DOL	DOL	****2053	RAW POWER ELECTRIC CORP		3 PARK PLACE MIDDLETOWN NY 10840	03/16/2013	09/16/2013
DOL	NYC		RAYMOND PEARSON		P O BOX 957 FORT JEFFERSON STA NY 11775	03/12/2014	03/12/2015
DOL	DOL		REBECCA THORNE		119 N MAPLE AVENUE GREENBURG PA 15631	02/21/2013	02/21/2015
DOL	DOL		REGINALD WARREN		610 RAW POWER ELECTRIC 3 PARK PLACE MIDDLETOWN NY 10840	09/16/2014	03/16/2015
DOL	DOL		REVOLUTIONARY FLOORING LLC		P O BOX 269 8711 WATERS NY 12120	09/16/2013	03/21/2015
DOL	DOL		RHINO CONCRETE LLC		101 SULLYS TRAIL, SUITE 20 PITTSFORD NY 14854	11/10/2013	01/07/2015
DOL	DOL		RICHARD WALSON		610 BURJOR GROUP INC 832 WEST 10TH STREET #7 NEW YORK NY 10015	03/10/2014	03/10/2015
DOL	DOL	****8310	RIEKS CONTRACTING LLC		4904 CAMMILLER ROAD ALBUQUERQUE NY 15021	05/01/2010	10/01/2010
DOL	DOL		ROBEY BISHOP		10-61 SPRINGHILL BLVD QUEENS VILLAGE NY 11427	01/11/2009	01/11/2009
DOL	DOL	****0850	ROBERT D BISHOP JR	ROBERT D BISHOP JR	P O BOX 112 MORRISONVILLE NY 12852	07/16/2014	07/16/2015
DOL	DOL		ROBERT D BISHOP JR		P O BOX 112 MORRISONVILLE NY 12852	07/16/2014	07/16/2015
DOL	NYC		ROBERT FIGARELL		130-09 20TH AVENUE FLUSHING NY 11354	01/14/2011	01/14/2015
DOL	NYC		ROBERT GILBO		5406 BRUNET AVENUE BRONX NY 10469	07/22/2014	07/22/2015
DOL	DOL		ROBERT LEVARS		120A NORTH STAMFORD ROAD STAMFORD CT 06807	05/24/2013	05/23/2015
DOL	DOL		ROBERT TORREJA		125 CHAUTAUQU AVENUE LAKWOOD NY 14703	08/24/2013	08/24/2015
DOL	DOL		RODOLFO BROS TO		610 ROOMAR CONTRACTING 80 020 COMMERCE STREET THORWOOD NY 10984	08/24/2012	08/24/2017
DOL	DOL		ROOMAR CONSTRUCTION CORP		803 COMMERCE STREET THORWOOD NY 10984	08/24/2012	08/24/2017
DOL	DOL	****7083	ROOMAR CONTRACTING CORP		803 COMMERCE STREET THORWOOD NY 10984	08/24/2012	08/24/2017
DOL	DOL		ROMEO WARREN		610 RAW POWER ELECTRIC CORP 3 PARK PLACE MIDDLETOWN NY 10840	03/16/2013	03/16/2015
DOL	DOL		ROSEANNE CANTIGANI		11 TATAMUCK ROAD POND RIDGE NY 11870	05/04/2012	05/04/2017
DOL	NYC		ROSE J HOLLAND		130 20 20TH AVENUE FLUSHING NY 11354	01/14/2011	01/14/2015
DOL	DOL		ROSS J MURCOLINO		10 87 CHARLES STREET THORWOOD NY 10984	03/04/2013	03/03/2015
DOL	DOL		R & M CONTRACTING LLC		80 M OLAND AVENUE 2 WALLINGTON NJ 07727	11/05/2013	11/05/2015
DOL	DOL		R & B ELECTRIC		235 BROADWAY SCHENECTADY NY 12306	10/14/2013	03/10/2015
DOL	NYC		SABEDI, ISAN		4650 BROADWAY 06 NEW YORK NY 10040	03/04/2014	04/04/2015
DOL	DOL	****4923	SCHENLEY CONSTRUCTION INC		751 WARWICK TURNPIKE 1 SWITTI NJ 07422	08/24/2012	12/11/2017
DOL	DOL		SCOTT LEONARD	OLDSAL TANE CONSTRUCTION CORP LLC	P O BOX 1286 SALINA OK 74105	11/20/2012	11/20/2017
DOL	DOL		SEAKCO CONSTRUCTION COMPANY LLC		120A NORTH STAMFORD ROAD STAMFORD CT 06803	05/23/2013	05/23/2015
DOL	DOL	****6020	SEAKCO NEW YORK LLC	BEAKCO CONSTRUCTION CORP COMPANY	120A NORTH STAMFORD ROAD STAMFORD CT 06803	05/23/2013	05/23/2015

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DOL	DOL		SEAN BURSAGE	C/O SEAN BURSAGE CORP	445 RIDGEA HAP ROAD BLOOMINGBURG NY 12321	04/14/2014	04/14/2018
DOL	DOL	****0530	SEAN BURSAGE CORP		445 RIDGEA HAP ROAD BLOOMINGBURG NY 12321	04/14/2014	04/14/2018
DOL	DOL	****0510	SEVEN STAR ELECTRICAL CONTRACTING CORP		28-24 BIRCHWAY BIRCHM ASTORIA NY 11133	06/27/2011	06/27/2016
DOL	DOL		SEVEN STAR ELECTRICAL INC		C/O THEONATHANASIADIS 1023 GOVWACK ROAD HILLS NY 11746	08/27/2011	08/27/2016
DOL	NYC		SHAFIQUL ISLAM		11-21 35TH DRIVE LONG BLAND CITY NY 11102	06/26/2011	06/26/2013
DOL	NYC		SHAFIQUL ISLAM		2107 80TH AVE BAYSIDE NY 11360	07/02/2012	07/02/2017
DOL	DOL	****0438	SIGNATURE PAVING AND SEALCOATING		P O BOX 772 JAM ESTOWN NY 14701	08/18/2010	08/18/2015
DOL	DOL	****0462	SIGNATURE SEALCOATING AND STRIPING SERVICE		3461 MINGSDON AVENUE P O BOX 112 LAMINGTON NY 14702	04/24/2007	08/18/2016
DOL	DOL	****0501	SIGNING STAR LIMITED LIABILITY COMPANY		C HANSON PLACE WAYNE NJ 07470	08/18/2010	09/18/2010
DOL	DOL	****0637	SINCEY CONSTRUCTION INC		45-62 42ND STREET SUNNYSIDE NY 11104	07/05/2011	07/05/2013
DOL	DOL		SIRAGUE DOERIC		61 WILLET STREET - SUITE PARSONS NJ 07656	07/06/2010	08/26/2017
DOL	NYC	****0334	SIRIX CONTRACTING CORP		240 40TH STREET TEANECK NJ 07652	08/04/2014	08/04/2019
DOL	DOL		SIRYSCHEMERS INC		115 N MAPLE AVENUE GREENBURG PA 15601	02/21/2013	02/21/2018
DOL	DOL	****0506	SPOTLESS CONTRACTING	IMPACT INDUSTRIAL SERVICE INC	44 TUNNEL MT VY ROAD HARDON NY 14870	10/14/2011	10/14/2015
DOL	DOL	****0466	STAR INTERNATIONAL INC		39-6 SPRINGFIELD BLVD GURFEN VILLAGE NY 11427	08/11/2009	08/11/2013
DOL	DOL		STEPHANIE WOKENHA		80 MIDLAND AVENUE WALINGTON N. 07087	11/05/2010	11/05/2014
DOL	DOL		STEPHEN BIANCHI		408 LARVIEW AVENUE VALHALLA NY 10986	12/20/2012	12/16/2018
DOL	DOL		STEPHEN BIELDON	FANTASTIC PAINTING	498 LANGING ROAD FULTONVILLE NY 12072	11/19/2012	11/19/2018
DOL	DOL		STEVEN CONLIN		60 DUTCHMAN ROAD STILLWATER NY 12170	02/18/2011	02/18/2018
DOL	DOL		STEVEN SAGGERS		3006 WYN SUM AVENUE MERRICK NY 11762	08/15/2014	08/15/2019
DOL	DOL		STUART CHAITIN		634 ROUTE 435 BLAUVELT NY 10513	07/25/2012	11/16/2018
DOL	DOL	****0210	SUPHE BAWER	FWS	4 LEHORN COURT NEW YORK NY 11746	11/26/2014	11/26/2017
DOL	DOL		SUZANNE B GOLD		26 HAMILTON ROAD MONTICELLO NY 12701	10/13/2015	10/13/2018
DOL	DOL	****0673	T D CONTRACTORS CORP	T D CONTRACTORS INC	113 N MAPLE AVENUE GREENBURG PA 15601	02/21/2015	02/21/2019
DOL	DOL		T D CONTRACTORS INC		113 N MAPLE AVENUE GREENBURG PA 15601	02/21/2013	02/21/2019
DOL	DOL		TAMMY LACIGROLA		610 CATSKILL FENCE INSTALL 5446 ROUTE 82 CATSKILL NY 12414	06/22/2014	02/22/2019
DOL	DOL		TECHMECHANICAL FAB CO INC		1 PARKER AVENUE POURTIER NY 12101	06/25/2014	06/25/2018
DOL	DOL	****0057	THE BRINSON PAINTING CORPORATION		72 TAUNTON PLACE BUFFALO NY 14219	06/14/2015	04/14/2020
DOL	DOL	****0218	THE CUVIRA GROUP LLC		344 SOUTHWIND LANE COLLEGE POINT NY 11556	11/22/2011	11/22/2015
DOL	DOL		THE THORNE GROUP INC		113 N MAPLE AVENUE GREENBURG PA 15601	02/21/2013	02/21/2018
DOL	DOL	****0071	THE UNIVERSAL GROUP OF NEW YORK INC		212 CANTON WAY SCENECTADY NY 12308	12/11/2012	02/15/2018
DOL	DOL	****0242	THE WELLS VAI PROPERTY MANAGEMENT LLC		P O BOX 288 6 MILLVALE NY 12110	08/18/2012	09/21/2018
DOL	DOL		THEONATHANASIADIS		C/O SEVEN STAR ELECTRICAL 28-24 BIRCHWAY ASTORIA NY 11103	08/27/2011	08/27/2016
DOL	DOL		THOMAS DESANTIS	DESANTIS ELECTRICAL	181 OSWEGO RIVER ROAD PACER NY 13135	08/24/2018	11/18/2018

NYSDOL Bureau of Public Work Department List 08/05/2015

Article 9

DOL	NYC		THOMAS SCARINGI		190-43 62ND AVENUE RICHMOND HILLS NY 11418	11/27/2013	11/27/2016
DOL	DOL		THOMAS TERRANOWA		18 NEW ROAD SUITE 1 NEWBURGH NY 12550	11/15/2010	11/15/2015
DOL	DOL	****2734	THOMAS RE ENDS CONSTRUCTION CORP		688 MADISON AVENUE PATERSON NJ 07651	01/03/2013	01/03/2016
DOL	NYC	****6259	THUNDER BROTHERS CORP		84 SOMMERSET LANE SCUTTICO VER NJ 08962	05/01/2013	05/01/2016
DOL	DOL		TIMOTHY F BARBER		680 LUGBINE ROAD QUEENSBURY NY 12864	09/15/2013	09/15/2016
DOL	NYC		TIMOTHY O'DULLIVAN		610 SENECA CONSTRUCTION 4325 42ND STREET BUNNYHIDE NY 11104	07/01/2011	07/01/2016
DOL	NYC	****1628	TM MECHANICAL CORP		130-43 62ND AVENUE RICHMOND HILLS NY 11418	11/27/2013	11/27/2016
DOL	DOL	****0620	TOMSON ALL OYB RECYCLING INC		143 HILLMORE AVENUE BUFFALO NY 14210	01/03/2016	01/03/2022
DOL	DOL	****8178	TOURO CONTRACTING CORP		1641 EAST 30TH STREET BROOKLYN NY 11234	03/01/2012	03/01/2017
DOL	DOL	****2667	TRAG CONSTRUCTION INC	MUNICIPAL MILLS & WY -IK- PLACES	001 BRLE ROAD ANZOLA NY 14003	02/09/2011	02/09/2013
DOL	DOL	****0914	TRI-COUNTY RESTORATIONS & CONSTRUCTION INC		13 SUMMERSET DRIVE WAL KILL NY 13838	08/22/2014	08/22/2016
DOL	DOL		TRI-COUNTY RESTORATIONS INC		392 ROCK CUT ROAD WALDEN NY 12092	08/22/2014	08/22/2016
DOL	DOL	****5218	TRIP PAINTING CO INC		680 N WILLOWOOD AVENUE G JENKINTOWN NY 11787	03/01/2011	03/01/2016
DOL	DOL		TROY D CLARKE	ADVANCED METALS	587 RIVERSIDE DRIVE JOHNSON CITY NY 13790	10/01/2012	10/01/2017
DOL	DOL	****4294	TWT CONSTRUCTION COMPANY INC		13 NEW ROAD SUITE 1 NEWBURGH NY 12550	11/16/2010	11/16/2015
DOL	DOL		ULIANO AND SONS INC		25 BRIFDEN COUNTY MILLS PLACE NY 11743	12/20/2010	10/30/2016
DOL	AG	****8436	UNIVERSAL STEEL FABRICATORS INC		60 JULIUS STREET BROOKLYN NY 11212	01/23/2014	01/23/2016
DOL	NYC	****1774	V&R CONTRACTING		P O BOX 857 PORT JEFFERSON STA NY 11776	03/12/2014	03/12/2016
DOL	DOL	****0451	VANESSA CONSTRUCTION INC		688 HAZELTON AVENUE 100 ELMONT NY 11003	04/24/2010	04/24/2015
DOL	NYC		VFAAP BBA	DR COLONIAL ROOFING COMPANY INC	247 48TH STREET BROOKLYN NY 11220	02/06/2014	02/06/2019
DOL	DOL	****5270	VFAALDO CONTRACTING CORP		630 BEECH STREET NEW HYDE PARK NY 11040	07/02/2012	07/02/2017
DOL	NYC		VICK CONSTRUCTION		21 DAREWOOD LANE VALLEY STREAM NY 11601	12/31/2013	12/31/2016
DOL	NYC		VIKRAM MANGRU	VIC K CONSTRUCTI ON	21 DAREWOOD LANE VALLEY STREAM NY 11601	12/31/2013	12/31/2016
DOL	NYC		VINCENT PIZZICOLA		P O BOX 857 PORT JEFFERSON STA NY 11776	03/12/2014	03/12/2016
DOL	DOL		WESLEY J STAROBA		206 TALLY HO COURT SCHENECTADY NY 12303	05/19/2018	05/19/2019
DOL	DOL	****0070	WESLEY J STAROBA INC	W & S ELECTRIC	236 BROADWAY SCHENECTADY NY 12303	06/19/2018	06/19/2019
DOL	DOL	****1417	WHITE PLAINS CARPENTRY CORP		P O BOX 109 WHITE PLAINS NY 10603	12/01/2006	03/04/2017
DOL	DOL		WILLIAM BOSKIN		6 AIRBOR AVENUE POUGHKEEPSIE NY 12601	08/25/2014	03/22/2018
DOL	DOL		WILLIAM MAZZELLA		154 MURRAY AVENUE YONKERS NY 10704	02/03/2014	02/03/2018
DOL	DOL		WILLIAM SCRIVENS		30 MIDLAND AVENUE WASHINGTON NY 13797	11/05/2010	11/05/2018
DOL	DOL		WILLIAM THORNE		120 K WASH AVENUE ONEONTA NY 13827	02/11/2013	02/11/2018
DOL	DOL		WILLIE BRINSON		72 TAUNTON PLACE BUFFALO NY 14215	04/14/2015	04/14/2020
DOL	NYC	****1463	XAVIER CONTRACTING LLC		51 BAYLOND ROAD BUFFALO NY 14203	02/11/2011	02/10/2016
DOL	DOL		YURY IVANIN		610 MOUNTAINS AIR INC 247 OCEAN AVENUE STE 7A BROOKLYN NY 11222	04/14/2012	03/20/2017

General Decision Number: NY160012 01/08/2016 NY12

Superseded General Decision Number: NY20150012

State: New York

Construction Types: Building, Heavy, Highway and Residential.

Countries: Nassau and Suffolk Counties in New York.

BUILDING CONSTRUCTION PROJECTS, RESIDENTIAL CONSTRUCTION PROJECTS (including single family homes and apartments up to and including 4 stories), HEAVY CONSTRUCTION PROJECTS, HIGHWAY CONSTRUCTION PROJECTS

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.15 for calendar year 2016 applies to all contracts subject to the Davis-Bacon Act for which the solicitation was issued on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.15 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2016. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
3	01/08/2016

* ASRFD012-001 08/07/2015

	Rates	Fringes
Asbestos Workers/Insulator Includes application of all insulating materials, protective coverings, coatings and finishes to all types of mechanical systems.....	\$ 69.47	21.51
HAZARDOUS MATERIAL HANDLER.....	\$ 49.00	11.25

BOILERMAKERS 001 01/01/2013

	Rates	Fringes
BOILERMAKERS.....	\$ 49.47	33%-22.97-a

FOOTNOTES:

a. PAID HOLIDAYS: New Year's Day, Thanksgiving Day, Memorial Day, Independence Day, Labor Day and Good Friday, Friday after Thanksgiving, Christmas Eve Day and New Year's Eve

BRNY0001-001 07/07/2015

	Rates	Fringes
TRICKLAYER.....	\$ 56.77	24.75
MASON - S.MONT.....	\$ 43.71	28.41

CARP0290-001 07/01/2014

	Rates	Fringes
Carpenters:		
Building.....	\$ 43.03	33.96
Heavy & Highway.....	\$ 43.03	33.96
Residential.....	\$ 33.38	27.26

CARP0740-001 07/01/2015

	Rates	Fringes
MILLWRIGHT.....	\$ 49.50	51.31

CARP1556-008 07/01/2015

	Rates	Fringes
Carpenters:		
DIVERS CARPENTERS.....	\$ 45.47	45.95
DIVERS.....	\$ 63.02	45.95
DOCKBUILDERS.....	\$ 50.50	43.95
PILBERTVERMAN.....	\$ 43.61	45.07

CARP1556-011 07/01/2015

	Rates	Fringes
Carpenters:		
TIMBERMEN.....	\$ 45.60	45.97

CARP2287-003 07/01/2014

	Rates	Fringes
CARPENTER		
Soft Floor Layers.....	\$ 49.88	43.40

ELEC0025-001 04/25/2015

	Rates	Fringes
ELECTRICIAN.....	\$ 50.45	16%+22.57

ELEC0025-002 04/25/2015

	Rates	Fringes
Electricians:		
Maintenance Unit.....	\$ 40.70	12%+\$16.03
Telephone Unit.....	\$ 36.58	16%+16.17
Wiring for single or		

multiple family dwellings
and apartments up to and
including 3 stories.....\$ 27.35 13%+11.35

FUEC1049-002 03/29/2015

	Rates	Fringes
Line Construction:		
Substation and Switching structures pipe type cable installation and maintenance jobs on projects; Railroad electrical distribution/transmission systems maintenance (when work is not performed by railroad employees); Overhead and Underground transmission/distribution line work. Fiber optic, telephone cable and equipment;		
Groundman.....	\$ 30.16	71.08
Heavy Equipment Operator....	\$ 40.61	24.31
Lineman & Cable Splicer....	\$ 50.76	27.38
Material Man.....	\$ 44.18	25.46

ELEV0001-002 03/17/2013

	Rates	Fringes
ELEVATOR MECHANIC		
Elevator Constructor.....	\$ 57.07	27.60a+b
Reconization and Repair....	\$ 48.14	27.49a+b

FOOTNOTE:

a. **PAID HOLIDAYS:** New Year's Day, Good Friday, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

b. **PAID VACATION:** An employee who has worked less than 5 years shall receive vacation pay credit on the basis of 4% of his hourly rate for all hours worked; an employee who has worked 5 to 15 years shall receive vacation pay credit on the basis of 6% of his hourly rate for all hours worked; an employee who has worked 15 or more years shall receive vacation pay credit on the basis of 8% of his hourly rate for all hours worked.

ENGT0138-001 06/01/2013

BUILDING CONSTRUCTION

	Rates	Fringes
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Power equipment operators:

GROUP 1.....	\$ 41.89	31.65 a
GROUP 2.....	\$ 39.90	31.65+a
GROUP 3.....	\$ 38.90	31.65+a
GROUP 4.....	\$ 35.58	31.65+a
GROUP 5.....	\$ 34.17	31.651a

NOTES:

Hazard premiums:

Level A	3.50
Level B	2.50
Level C	1.50

Oiler on truck cranes with boom length of 100 ft. or more
.25

FOOTNOTE:

a. Paid Holidays: New Year's Day, Lincoln's Birthday, Washington's Birthday or President's Day (in lieu of Lincoln's or Washington's Birthday), Good Friday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day or days celebrated as such. Any holiday that falls on a Saturday will be celebrated on Friday.

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

GROUP 1: Asphalt spreader, backhoe crawler capacity over cater-giller 225 and Lomax 300, Boiler (thermo-plastic), Cherry picker, over 50 tons, CMT or maxin spreader, concrete pump (with oiler), crane (crawler truck), crane (on barge), crane (stone setting), crane (structural steel), crane (with clam shell), derrick, dragline, dredge, gradall, grader, hoist (3 drum), loading machine (bucket) cap of 10 yds or over micro-trap, with compressor (negative air machine), milling machine, large pile driver, power winch, Stone setting/structural steel, power winch (truck mounted/stone steel) powerhouse, road paver scoop, carry-all, scraper in tandem shovel, sideboom tractor, sideboom tractor (used in tank work), stone spreader (self propelled tank work), zamboni (ice machine)

GROUP 2: Backhoe, boom truck, bulldozer, excavator, conveyor (multi), dinky locomotive, forklift, hoist, 2 drum, loading machine, loading machine (front end) mechanical compactors, (machine drawn), mulch machine (machine-fed), power winch, other than stone/structural steel, power winch (truck mounted other than stone steel) pump (hydraulic, with boring machine), roller, (asphalt), scoop (carry-all scraper), tower crane (maintenance car), trenching machine

GROUP 3: Compressor (structural steel), Compressor (2 or more in battery), concrete finishing machine, concrete spreader, conveyor, curb machine (asphalt or concrete), curing machine, fireman, hoist (3 drum), micro trap, (self contained, negative air machine), pump (4 inches or over), pump (hydraulic), pump (jet), pump (submersible), pump

(well point), pulvi-mixer, ridge cutter, roller (dirt), striping machine, vac-all, welding and burning, welding machine (pile work), welding machine (structural steel)

GROUP 4: Compressor, compressor (on crane), compressor (pile work), compressor (stone setting), concrete breaker, concrete saw or cutter, forklift (walk behind, power operated), generator-pile work, generator, hydra hammer, mechanical compactors (hand operated), roller (truck crane), air puller, portable heaters, powerbrock, power buggies, pump (double action diaphragm), pump (gypsum), trench machine (hand), welding machine

GROUP 5: Batching plant (on site of job), generator (small), mixer (with skip), mixer (2 small with or without skip), mixer (2 bag or over, with or without skip), mulch machine, oiler, pump (centrifugal, up to 3 inches), root cutter, stump chopper, tower crane (tower), tractor (caterpillar or wheel vibrator)

 ENGI0138-002 06/01/2013

HEAVY & HIGHWAY

	Rates	Fringes
Power equipment operators:		
GROUP 1.....	\$ 44.09	32.90
GROUP 2.....	\$ 47.27	32.90
GROUP 3.....	\$ 39.83	32.90
GROUP 4.....	\$ 36.94	32.90
GROUP 5.....	\$ 35.53	32.90
GROUP 6.....	\$ 33.98	10.23

NOTES:

Hazmat premiums:

Level A	3.50
Level B	2.50
Level C	1.50

Truck and Crawler Cranes long boom premiums:

boom lengths (including jib) 100-149 ft	.50
boom lengths (including jib) 150-249 ft	.75
boom lengths (including jib) 250-349 ft	1.00
boom lengths (including jib) 350 ft	1.50

Cranes using clamshell buckets	.25
Front end loader 10 yds and above	.25
Giler on truck cranes with boom length of 100 ft. or more	.25

FOOTNOTES:

a. Paid holidays: New Years Day, Lincoln's Birthday, Washington's Birthday or Presidents Day (in lieu of Lincoln's or Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day or days celebrated as such. Any holiday that falls on Saturday will be celebrated

on Friday.

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

GROUP 1: Asphalt spreader, backhoe crawler (capacity over caterpillar 225 and komatsu 300), boiler (thermoplastic), boring machine (post hole), cherry picker (over 50 ton), CMI or maxim spreader, concrete pump, with oiler, crane (crawler truck), crane (on barge), crane (stone setting) crane (structural steel), crane (with clam shell), derrick, dragline, dredge, gradall, grader, hoist (3 drums), loading machine (bucket) capacity of 10 yards or over, micro-trap (with compressor-negative air machine), milling machine (large), pile-driver, power winch (stone setting structural steel), power winch (truck mounted/stone steel), power-house, road paver, scoop, carry all (scraper in tandem), shovel, sideboom tractor, sideboom tractor (used in tank work), stone spreader (self-propelled), tank work, tower crane

GROUP 2: Bulldozer, Backhoe, Boom Truck, Boring machine/augur, Cherry picker, Conveyor (multi), Dinky Locomotive, Forklift, Hoist (2 drum), Loading Machine, Loading Machine (front end), Mechanical Compactor (machine drawn), Mulch Machine (machine-fed), Power Winch (other than stone/structural steel), Power Winch (truck mounted/other than stone steel), Pump Hydraulic (with boring machine), Roller (asphalt), Scoop (carry-all, scraper), Tower Crane (maintenance man), Trenching Machine, Vermeer Cutter, Work Boat

GROUP 3: Curb Machine (asphalt or concrete), Maintenance Engineer (small equipment), Maintenance engineer (well-point) Mechanic (fieldman), Micro-Trap (self contained, negative air machine), Milling Machine (small), Pulvi-mixer, Pump (4 inches or over), Pump Hydraulic, Pump Jet, Pump Submersible, Pump (well point), Roller Dirt, Vac-All, Welding and burning, Compressor (structural steel), Compressor (2 or more battery), Concrete Finishing Machine, Concrete Spreader, Conveyor, Curing Machine, Trencher, Hoist (one drum), Ridge Cutter, Stripping Machine, Welding Machine (pile work), Welding Machine (structural steel).

GROUP 4: Compressor, Compressor on crane, Compressor (pile work), Compressor (stone setting), Concrete Breaker, Concrete Saw or Cutter, Fork Lift (walk behind, power operated), Generator: Pile Work, Generator, Hydra Hammer, Mechanical Compactors (hand operated), Oiler (truck crane), Pin Puller, Portable Heaters, Powerbroom, Power buggies, Power Grinders, Pump (double action diaphragm), Pump gypsum, Pump (single action 1 to 3 inches), Trench Machine hand, Welding Machine

GROUP 5: Batching Plant (on site of job), Generator (small), Galvan, Mixer (with skip), Mixer (2 small with or without skip), Mixer (2 bag or over, with or without skip), Mulch Machine, Oiler, Pump (centrifugal, up to 3 inches), Root Cutter, Stump Chipper, Tower Crane (oiler), Track Tamper (2 engineers, each), Tractor (caterpillar or wheel), Vibrator,

Work boat (dockhand),

GROUP 6: Well drillers

IRON0046-003 07/01/2014

	Rates	Fringes
IRONWORKER METALLIC LATHERS AND REINFORCING IRONWORKERS.....	\$ 40.60	30.56

IRON0197-001 06/01/2013

	Rates	Fringes
IRONWORKER STONE DERRICKMAN.....	\$ 41.00	36.57

IRON0357-007 07/01/2013

	Rates	Fringes
IRONWORKER (STRUCTURAL).....	\$ 48.75	67.34

IRON0580-005 07/01/2013

	Rates	Fringes
IRONWORKER, ORNAMENTAL.....	\$ 43.20	47.42

LAB00066-001 07/01/2013

BUILDING

	Rates	Fringes
LABORERS: Laborers.....	\$ 34.85	30.19
Plasterers/Tenders.....	\$ 34.85	30.19

LAB00678-001 02/01/2013

	Rates	Fringes
LABORERS BUILDING CONSTRUCTION ASBESTOS (Removal, Abatement, Encapsulation or Decontamination of asbestos); LEAD; & HAZARDOUS WASTE LABORERS (hazardous Waste, Hazardous Materials, Biochemical and Mold Remediation, HVAC, Duct Cleaning, Re-spray Fireproofing, etc).....	\$ 35.90	14.75

LAB01298-001 06/01/2014

HEAVY & HIGHWAY

	Rates	Fringes
Laborers:		
Asphalt Pavers, Compactors..\$	39.68	25.85+a
Asphalt Shovelers, Roller		
Boys & Tamper.....\$	38.54	25.85+a
Regular Laborers.....\$	35.05	25.85-a

A. FOOTNOTES:

Laborers working in a hazardous material hot zone shall receive an additional 20% premium.

When the contract provides for night work outside the regular hours of work, the employees shall be paid at straight time plus a 25% night work premium for the 8 hours worked during the night.

Firewatch work performed after regular hours shall be paid an additional 10% premium. Second and Third Shift work will be paid at a 10% premium.

Contractor requesting laborers certified for hazardous material work and/or employed on hazardous material shall be required to pay an additional 10% premium.

PAIN0009-002 11/01/2014

	Rates	Fringes
PAINTER		
GLAZIERS.....\$	42.95	27.09
Painters, Drywall Finishers..\$	41.75	20.87
Spray, Scaffold,		
Sandblasting.....\$	42.50	21.87

PAIN0806-010 10/01/2014

	Rates	Fringes
Painters:		
Structural Steel and Bridge..\$	48.75	35.63

PATK1974-002 12/26/2012

	Rates	Fringes
Painters:		
DRYWALL TAPERS/POINTERS.....\$	43.82	22.00

PCAS0262-003 02/01/2015

	Rates	Fringes
PLASTERER.....\$	43.43	27.95

PLAS0780-001 07/01/2014

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER.....	\$ 45.00	39.70

PLUM0288-001 11/01/2013

	Rates	Fringes
PLUMBER		
BUILDING CONSTRUCTION.....	\$ 50.48	29.8
RESIDENTIAL CONSTRUCTION.....	\$ 29.46	10.91

PLUM0638-001 06/27/2012

	Rates	Fringes
PLUMBER		
SERVICE FITTERS.....	\$ 26.30	2.55
SPRINKLER FITTERS,		
STEAMFITTERS.....	\$ 51.25	49.54

Service Fitter work shall consist of all repair, service and maintenance work on domestic, commercial and industrial refrigeration, air conditioning and air cooling, stoker and oil burner apparatus and heating apparatus and, including but not exclusively the charging, evacuation, leak testing and assembling for all machines for domestic, commercial and industrial refrigeration, air conditioning and heating apparatus. Also, work shall include adjusting, including capacity adjustments, checking and repairing or replacement of all controls and start up of all machines and repairing all defects that may develop on any system for domestic, commercial and industrial refrigeration and all air conditioning, air cooling, stoker and oil burner apparatus and heating apparatus regardless of size or type.

ROO0154-001 10/01/2012

	Rates	Fringes
ROOFER.....	\$ 38.00	28.59

SPR0028-002 07/31/2014

	Rates	Fringes
SHARP METAL WORKER		
BUILDING CONSTRUCTION.....	\$ 50.91	36.70
RESIDENTIAL CONSTRUCTION.....	\$ 27.22	16.48

TEAM0282-002 07/01/2015

	Rates	Fringes
TRUCK DRIVER.....	\$ 37.895	39.35

FOOTNOTES:

9. PAID HOLIDAYS: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Election Day, Veterans' Day (Armistice Day), Thanksgiving Day, Day after Thanksgiving and Christmas Day. Employees working two (2) days in the calendar week in which a holiday falls are to be paid for such holiday, provided that they shape one remaining workday during such calendar week.

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "JAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and

the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SDFA2012-007 5/13/2014. SD indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAWG Identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAWG-OH-0010 08/29/2014. UAWG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAWG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
 Wage and Hour Division
 U.S. Department of Labor
 200 Constitution Avenue, N.W.
 Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
 U.S. Department of Labor
 200 Constitution Avenue, N.W.
 Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
 U.S. Department of Labor
 200 Constitution Avenue, N.W.
 Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECLARATION

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APPENDIX A-1: SUPPLEMENTAL TITLE VI PROVISIONS (CIVIL RIGHTS ACT)

To be included in all contracts

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- (1) **Compliance with Regulations:** The contractor shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Department of Transportation of the United States, Title 49, Code of Federal Regulations, Part 21, and the Federal Highway Administration (hereinafter "FHWA") Title 23, Code of Federal Regulations, Part 200 as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- (2) **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin, sex, age, and disability/handicap in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR, section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- (3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipments:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin, sex, age, and disability/handicap.
- (4) **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by NYSDOT or the FHWA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to NYSDOT's Office of Civil Rights or FHWA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- (5) **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, NYSDOT shall impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - (a.) withholding of payments to the contractor under the contract until the contractor complies, and/or
 - (b.) cancellation, termination or suspension of the contract, in whole or in part.
- (6) **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs (1) through (5) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontractor procurement as NYSDOT or the FHWA may direct as a means of enforcing such provisions including sanctions for non-compliance. Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request NYSDOT to enter into such litigation to protect the interests of NYSDOT, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

Appendix D

Introduced by Legislator Denenberg

Local Law No. 172006

A LOCAL LAW in relation to reducing the emission of pollutants from diesel fuel-powered motor vehicles

Passed by the Nassau County Legislature on November 23, 2006

Voting: ayes: 17, nays: 0, abstained: 0

Became a Law on December 13, 2006 with the approval of the County Executive.

BE IT ENACTED by the County Legislature of the County of Nassau, as follows:

Section 1. This law shall be known as the Ultra Low Sulfur Diesel Fuel Law and shall appear in the miscellaneous laws as title sixty-two.

§ 2. Definitions.

As used in this local law, the following terms shall have the following meanings:

"Best available retrofit technology" means technology, verified by the EPA for reducing the emission of pollutants that achieves reductions in particulate matter emissions at the highest classification level for diesel emission control strategies, as set forth in section five of this local law, which is applicable to the particular engine and application. Such technology shall also, at a reasonable cost, achieve the greatest reduction in emissions of nitrogen oxides at such particulate matter reduction levels and shall in no event result in a net increase in the emissions of either particulate matter or nitrogen oxides.

"Commissioner" shall mean the Commissioner of the Department of Public Works.

"County contractor" means any person who enters into an agreement or contract with the County valued at more than one hundred fifty thousand dollars to perform County work or any person who enters into an agreement or contract with such person to perform County work.

"County department" means any department of County government that uses diesel-powered vehicles in any capacity.

"County" means County of Nassau.

"County work" means to provide labor, services, material and/or equipment which traditionally has been provided by the government of the County through County employees or contractors, except that it shall not mean labor, services, materials and equipment provided by a common carrier; a utility company; a shipping company (including overnight delivery companies); or a manufacturer or delivery company which delivers materials or equipment to County government.

"EPA" means the United States Environmental Protection Agency.

"Gross vehicle weight rating" means the value specified by the manufacturer of a motor vehicle model as the maximum design loaded weight of a single vehicle of that model.

"Motor vehicle" means a vehicle owned by the County and operated or driven upon a public highway which is propelled by any power other than muscular power, except electrically-driven mobility assistance devices operated or driven by a person with a disability, provided, however, that this term shall not include vehicles that are specially equipped for emergency response by the fire commission, the department of emergency management, or the sheriff's department.

"Non-road diesel vehicle" means a motor vehicle powered by a diesel engine fifty horsepower or greater, including but not limited to excavators, backhoes, cranes, compressors, bulldozers, and similar equipment, but not including a vehicle used for competition.

"On-road diesel vehicle" means a motor vehicle powered by a diesel engine that is used to transport persons or property on a street or highway.

"Person" means any individual, partnership, firm, company, association, joint stock association, corporation or other like organization.

"Reasonable cost means that such technology does not cost greater than thirty percent more than other technology applicable to the particular engine and application that falls within the same classification level for diesel emission control strategies, as set forth in section five of this local law, when considering the cost of the strategies, themselves, and the cost of installation.

"Specially equipped vehicle" means a motor vehicle defined as specially equipped pursuant to rules and regulations developed and approved by an appropriate department of county government designated by the county executive, and adopted by the County legislature.

"Ultra low sulfur diesel fuel" means diesel fuel that has a sulfur content of no more than fifteen parts per million.

§ 3. Use of ultra low sulfur diesel fuel required.

a. All on-road diesel vehicles and non-road diesel vehicles owned, leased, or operated by the County, and all such vehicles used by a County contractor to do County work shall be powered by ultra low sulfur diesel fuel.

b. All on-road diesel vehicles and non-road diesel vehicles owned, leased, or operated by the County, and all such vehicles used by a County contractor to do County work and have a gross vehicle weight rating of more than eight thousand five hundred pounds shall utilize the best available retrofit technology or be equipped with an engine certified to the applicable two thousand seven EPA standard for particulate matter as set forth in section 86.007-1.1 of title forty of the code of federal regulations or to any subsequent EPA standard for such pollutant that is at least as stringent, pursuant to the following schedule:

Twenty five percent of all such motor vehicles by January 1, 2009;

Fifty percent of all such motor vehicles by January 1, 2011;

One hundred percent of all such motor vehicles by January 1, 2013.

(1) This subdivision shall not apply to any vehicle subject to a lease or public works contract entered into or renewed prior to the effective date of this section.

§ 4. County executive discretion regarding technology.

a. The county executive shall make determinations, and shall publish a list containing such determination, as to the best available retrofit technology to be used for each type of diesel fuel-powered motor vehicle to which this section applies. Each such determination shall be reviewed and revised, as needed, on a regular basis, but in no event less often than annually.

b. The county executive may determine that a technology, whether or not it has been verified by the EPA, may be appropriate to test, on an experimental basis, on a

particular type of diesel fuel-powered motor vehicle owned or operated by a county department. The county executive may authorize such technology to be installed on up to three of such type of motor vehicles. Any motor vehicle on which such technology is installed may be counted for the purpose of meeting the requirements of subdivision b of section three of this local law. Such technology shall not be required to be installed on other motor vehicles of the same type and shall be subject to the provisions of paragraph d of this section.

c. Any solicitation for a public works contract and any contract entered into as a result of such solicitation shall include a specification that all contractors in the performance of such contract shall utilize the best available technology for reducing the emission of pollutants for diesel powered on-road vehicles and non-road vehicles and all contractors in the performance of such contract shall comply with such specification.

d. No county department or county contractor shall be required to replace best available retrofit technology or experimental technology utilized for a diesel fuel-powered motor vehicle in accordance with the provisions of this section within three years of having first utilized such technology for such vehicle, except that technology that falls within level four as set forth in section five of this law, shall not be required to be replaced until it has reached the end of its useful life.

§ 5. Classification of diesel emission control strategies.

The classification levels for diesel emission control strategies are as follows, with level four being the highest classification level:

Level Four -- strategy reduces diesel particulate matter emissions by eighty-five percent or greater or reduces engine emissions to less than or equal to .01 grams diesel particulate matter per brake horsepower-hour;

Level Three -- strategy reduces diesel particulate matter emissions by between fifty and eighty-four percent;

Level Two - strategy reduces diesel particulate matter emissions by between twenty-five and fifty-nine percent;

Level One - strategy reduces diesel particulate matter emissions by between twenty and twenty-four percent.

§ 6. Contractor violations.

The Commissioner is authorized to enforce the provisions of this section.

a. Any contractor who violates any provision of this section shall be liable for a civil penalty between the amounts of one thousand and ten thousand dollars, in addition to twice the amount of money saved by such contractor for failure to comply with this section.

b. No contractor shall make a false claim with respect to the provisions of this section to any county agency. Where a contractor has been found to have done so, such contractor shall be liable for a civil penalty of twenty thousand dollars, in addition to twice the amount of money saved by such contractor in association with having made such false claim.

§ 7. Procedure when ultra-low sulfur diesel fuel is unavailable.

The county executive shall issue a written determination that permits the use of diesel fuel that has a sulfur content of no more than thirty parts per million to fulfill the requirements of this law if ultra low sulfur diesel fuel is not available to meet the needs of county departments to fulfill the requirements of this law. Such determination shall expire after six months if such lack of availability persists, but in no event shall be in effect after January first, two thousand eight.

§ 8. Waiver.

The county executive may issue a waiver for the use of ultra low sulfur diesel fuel where a county department makes a written finding, approved in writing by the county executive, that a sufficient quantity of ultra low sulfur diesel fuel, or diesel fuel that has a sulfur content of no more than thirty parts per million where a determination is in effect pursuant to section seven of this law, is not available to meet the requirements of this law, provided that such department, to the extent practicable, shall use whatever quantity of ultra low sulfur diesel fuel or diesel fuel that has a sulfur content of no more than thirty parts per million is available for its diesel fuel-powered motor vehicles. Any waiver issued pursuant to this section shall expire after two months, unless the county department renews the finding, in writing, and the county executive approves such renewal, in writing.

§ 9. Report to county executive and legislature.

a. Not later than January first, two thousand eight, and not later than January first of each year thereafter, the appropriate department or departments of county government, as determined by the county executive, shall submit a report to the county executive and legislature of Nassau county regarding, among other things, the use of ultra low sulfur diesel fuel and the use of the best available retrofit technology by diesel fuel-powered motor vehicles owned or operated by county departments during the immediately preceding calendar year. The information contained in this report shall include, but not be limited to, for each county department: (i) the total number of diesel fuel-powered motor vehicles owned or operated by such department; (ii) the number of such motor vehicles that were powered by ultra low sulfur diesel fuel; (iii) the total number of diesel fuel-powered motor vehicles owned or operated by such department having a gross vehicle weight rating of more than eight thousand five hundred pounds; (iv) the number of such motor vehicles that utilized the best available retrofit technology, including a breakdown by motor vehicle model, engine year, and the type of technology used for each vehicle; (v) the number of such motor vehicles that are equipped with an engine certified to the applicable two thousand seven EPA standard for particulate matters as set forth in section 86-007-1.1 of title forty of the code of federal regulations or to any subsequent EPA standard for particulate matter that is at least as stringent; (vi) the number of such motor vehicles that utilized technology in accordance with paragraph two of subdivision c of this section and the results and analysis regarding the testing of such technology; and (vii) all waivers, findings, and renewals of such findings, issued pursuant to sections seven and eight of this law that, for each waiver, shall include, but not be limited to, the quantity of diesel fuel needed to power diesel fuel-powered motor vehicles owned or operated by such department; specific information concerning the availability of ultra low sulfur diesel fuel or diesel fuel that has a sulfur content of no more than thirty parts per million where a determination is in effect pursuant to section seven of this law; and detailed information concerning the department's efforts to obtain ultra low sulfur diesel fuel or diesel fuel that has a sulfur content of no more than thirty parts per million where a determination is in effect pursuant to sections seven or eight of this law.

b. Where a determination is in effect pursuant to section seven or eight of this law, information regarding diesel fuel that has a sulfur content of no more than thirty parts per million shall be reported whenever information is requested for ultra low sulfur diesel fuel pursuant to paragraph one of this section.

c. the report due January first, two thousand eight in accordance with paragraph a of this section shall only include the information required pursuant to subparagraphs (i), (ii), and (vi) of such paragraph.

§10. Inapplicability.

This law shall not apply:

a. when federal or state funding precludes the county from imposing the requirement of this law; or

b. to purchases that are emergency procurements pursuant to the County charter or any local law allowing for such emergency procurements.

c. where such applicability would interfere with the purchase, lease or operation of emergency response vehicles operated by the Department of Emergency Management or the Nassau County Police Department.

d. to a diesel powered non-road vehicle where: 1) the commissioner certifies that the best available technology for reducing the emission of pollutants as required herein is unavailable for such vehicle, in which case such agency or contractor shall use whatever technology is available and appropriate for such vehicle that the commissioner approves for reducing the emission of pollutants; or 2) the vehicle is used for fewer than five calendar days per contract; or 3) the commissioner issues a written waiver based upon a finding that the use of the best available technology for reducing the emission of pollutants may present a hazard or threat to the safety of the operator, other workers or members of the public.

§ 11. Severability.

If any clause, sentence, paragraph, subdivision, section or part of this local law or the application thereof to any person, individual, corporation, firm, partnership, entity or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, effect or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence,

paragraph, subdivision, section or part of this law or in its application to the person, individual, corporation, firm, partnership, entity or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

§ 12. SEQRA Determination

It is hereby determined, based on the recommendation of the Nassau County Planning Commission acting in an advisory capacity to the Nassau County Legislature, the lead agency, and pursuant to the provisions of the State Environmental Quality Review Act ("SEQRA"), § NYECL section 0101 et seq. and its implementing regulations, Part 617 of 6 NYCRR, and Section 1611 of the County Government Law of Nassau County, that this Local Law will not have a significant impact on the environment and that no further environmental review or action is required. A record of the Planning Commission's recommendation of negative declaration for this action shall be maintained in a file, readily accessible to the public, at the office of the Planning Commission.

§ 13. Effective date.

This local law shall take effect immediately.

APPROVED

County Executive

Appendix "EE"

Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be

inaccurate. Within ten working days (10) of any such request by the contracting agency the Contractor must submit Documentation.

(j) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(i) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrator's award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any

existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation.
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation.
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.

- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation.
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation.
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (i) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

ARTICLE XIX. PRICES

The County shall pay as set forth in this Contract and the Contractor shall receive the price stipulated as full compensation for everything furnished and done by him under this Contract, and for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from unforeseen obstructions or difficulties encountered in the prosecution of the work and for all expense incurred by or in consequence of the discontinuance of the work herein specified, and for well and faithfully completing the work and the whole thereof as herein specified, and for making repairs to and maintaining the work in good condition until the final acceptance of the work. After the contract award package is reviewed by NYSDOT Construction found to be in order, it may be awarded to the low bid contractor. The contractor shall be paid as per the unit bid prices for each item of work. Nassau County reimbursement payments shall be made on a semi-monthly or monthly basis when Nassau County generates an estimate for payment.

ARTICLE XX. PAYMENTS

- A. On or about the first of each month, the Contractor may make an estimate of the amount and the fair value of the work done and may apply for partial payment therefor. The Contractor shall revise the estimate as the Engineer may direct. All payments shall be made in accordance with the equipment specification and the New York State Procedures for Locally Administered Federal Aid Projects manual.
- B. Before any payments shall be made under this Contract, the Contractor and all subcontractors performing any part of the work called for by this Contract must file in the office of the Department of Public Works of the County of Nassau verified statements provided for in Section 220-a of the Labor Law, as amended, certifying to the amounts then due and owing from the Contractor and subcontractor filing such statements to any and all laborers for daily or weekly wages on account of labor performed upon the work under this Contract, setting forth therein the names of the persons whose wages are unpaid and the amount due to each respectively.
- C. The Contractor must set forth in his statement the names of all his subcontractors and each subcontractor must likewise in his statement set forth the names of his subcontractors. If the Contractor or subcontractor has no subcontractor, he shall so state in his statement. If there be nothing due and owing to any laborer for daily or weekly wages on account of labor performed upon the work under this Contract, verified statements to that effect must be filed by the Contractor and all subcontractors before any payments are made under this Contract. At the pre-construction meeting the contractor shall submit CONR 891A forms for each of the approved subcontractors indicating the particular items of work, and these sheets will be included as part of the project record.

- D. Fringe benefit supplements to employees paid by the contractor are to be paid to a federally qualified pension, health or welfare program and a New York State registered apprentice training program. Direct payments in cash for fringe benefit supplements will not be allowed.
- E. Before any payments are made to the contractor, the contractor must submit Materials Certifications as per the contract items specifications to the sponsor or sponsor's representative, along with the AAP-33LL form, Employment Monthly Utilization form and the AAP 2AMU, Contractor Report of Contract Payments. These two forms must be printed from the EEO system and included with the payment. After this information has been viewed and found acceptable to the Sponsor/Sponsor's representative, payment procedures may begin.
- F. The contractor shall submit at the Pre-construction meeting a copy of CONR 89LL forms for each of the approved subcontractors indicating the particular items of work, and these sheets will be included as part of the project records.
- G. Prompt Payment Provisions

NYS General Municipal Law Section 106-b and NYS Finance Law Article 9, § 139-f were modified to require the Prime Contractor to pay their subcontractors and suppliers within seven (7) calendar days (formerly fifteen calendar days) of receipt of payment from the public owner/sponsor, and provides for interest on late payments for all public works contracts after July 21, 2008. Any contract provisions stating any other payment schedule will not be allowed; contracts cannot modify state finance law.

ARTICLE XXI. FINAL PAYMENT

Within fifteen days after completion of the work and compliance with all the terms of this Contract, and submission of satisfactory evidence of having repaired any and all damage to public or privately owned properties resulting from but not a part of the work under this Contract, the Commissioner of Public Works shall cause a final inspection to be made for approval of all work included in this Contract and shall issue a final certificate of completion to the Contractor for the work done under the Contract. The County shall, not later than thirty (30) days after the acceptance of this work, pay the Contractor the entire sum so found to be due thereunder after deductions of all previous payments and all previous payments. All prior estimates and payments shall be subject to correction in the final estimate and payment. Before Nassau County submits the final payment for reimbursement, Nassau County shall contact and coordinate with NYSDOT Local Projects Construction Monitors to schedule a final inspection. This will be performed only after the first punchlist is completed by the contractor. During the final inspection, a second punchlist will be established. The items of incomplete work or work not meeting specifications will need to be resolved by the contractor. Before final payment is made to the contractor, the contractor must submit the CONR 193 Materials Certifications forms to Nassau County along with the final AAP-331L Composite form, Employment Monthly Utilization form. In addition, the contractor needs to submit a Final Report AAP 211L for the DBE firm(s) as well as subcontractors if applicable. These two forms (Final Report 'Composite' AAP 331L and the Final Report(s) AAP 211L) must be printed from the EDC system and included. After this information has been reviewed and found to be acceptable to Nassau County along with concurrence from NYSDOT Planning and Construction Departments, payment procedures may begin. Nassau County will need to follow the requirements from Chapter 17 of the PLAFAP manual for Local Projects Close-Outs.

ARTICLE XXII. NO ESTOPPEL

The County shall not, nor shall any department or officer thereof be precluded or stopped by any acceptance, return, certificate or payment made or given by the Commissioner of Public Works or other officer, agent or employee of the County under any provision of this agreement, from at any time (either before or after the final completion and acceptance of the work and payment therefor pursuant to any such acceptance, return certificate or payment) showing the true and correct amount, quality and character of the work done and materials furnished by the Contractor or any other person under this Agreement, or from showing at any time that any such acceptance, return, certificate or payment is untrue and incorrect, or improperly made in any particular, or that the work and materials or any part thereof do not in fact conform to the specifications, and the County shall not be precluded or stopped, notwithstanding any such acceptance, return, certificate or payment in accordance therewith, from demanding and recovering from the Contractor such damages as it may sustain by reason of his failure to comply with the specifications.

Agree H&GE

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ARTICLE XXIII. NO WAIVER OF RIGHTS

Neither the inspection by the County nor by the Commissioner of Public Works, nor by any of their employees, nor any order, measurements or certificate of the Commissioner of Public Works, nor any order of the County for payment of money, nor any money, nor any payment for or acceptance of the whole or any part of the work by the Commissioner of Public Works, or the County, nor any extension of time, nor any possession by the County or its employees, shall operate as a waiver of any provision of this Contract, nor any power herein provided, nor shall any waiver of any breach of this Contract be held as a waiver of any other subsequent breach. Any remedy provided in this Contract shall be taken and construed as cumulative; i.e. - in addition to each and every other former suit, action or legal proceeding. The County shall also be entitled as of right to an injunction against any breach of the provisions of this Contract.

ARTICLE XXIV. CLAIMS AND LIABILITY

No person other than the signer of this Contract as Contractor has any interest hereunder, and no claims shall be made or be valid and neither the County nor any agent thereof shall be liable, or be held to pay any money, except as hereinbefore provided. The acceptance by the Contractor of the last payment shall operate as and shall be a release to the County and every officer or agent thereof, from any claims and liability to the Contractor for anything done or furnished, or any act or neglect of the Contractor or any person relating to or affecting the work. No payment, however, final or otherwise, shall operate to release the Contractor or his sureties from any obligations under this contract or the performance Bond.

ARTICLE XXV. FINAL COMPENSATION

Upon the faithful performance of the work herein embraced as set forth in the Contract, and its acceptance by the Commissioner of Public Works, the County of Nassau hereby agrees to pay and the Contractor agrees to receive the prices stipulated in the proposal as full compensation for work done under the Contract.

ARTICLE XXVI. SPECIFICATION REFERENCES

All specifications, conditions and all other matter contained in the book prepared by the Department of Public Works of the County of Nassau are taken from the latest 2008 New York State Standard Specifications (Us Customary Units) including Region 10 "Special" specifications. Standard "Installation Details" are included on the plans or in the itemized proposal including addenda to the specifications, shall be a part of this Contract and incorporated therein by reference.

ARTICLE XXVII. THIS ARTICLE IS NOT INCLUDED IN THIS CONTRACT

Agree ERGE

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ARTICLE XXVIII. SCHEDULE OF REQUIREMENTS

A. The following schedule shall apply to the appropriate articles of this agreement:

1. TIME FOR COMPLETION, 1095 calendar days

2. INSURANCE:

a. Contractor's Public Liability Insurance and Owner's Protective Public Liability Insurance shall be equal to the following minimum limits of liability:

1) Minimum Limits of Liability, for each occurrence.

a) Personal Injury - \$ 2,500,000

b) Property Damage - \$ 500,000

c) Or a Combined Single Limit of \$ 3,000,000 or greater.

b. Owner's Contingent public liability Insurance

1) For named insured, see:

Article XV. - Insurance Requirements,

Sec. D. - Owner's Contingent Public Liability Insurance

3. LIQUIDATED DAMAGES, \$500.00 per day

ARTICLE XXIX. SUPERVISION

The Contractor shall give his personal supervision to the faithful prosecution of the work and in case of his absence he shall have a competent English-speaking representative or foreman on the ground who shall follow without delay all instructions of the Commissioner or his assistants in the prosecution and completion of the work and every part thereto, in full authority to supply men/women, material and labor immediately.

ARTICLE XXX. SUBLET OR ASSIGN

A. The Contractor shall not assign, transfer, convey, sublet or otherwise dispose of this Contract or of his right, title or interest in or to it or any part thereof, or his power to execute it or assign, by power of attorney or otherwise, any of the monies due or to become due under this Agreement unless the previous written consent of the County Executive shall first be obtained thereto, and the giving of any such consent to a particular subcontract or assignment shall not dispense with the necessity of such consent to any further or other subcontracts or assignments. The County Executive reserves the right to limit the total amounts of subcontracts to 60 percent (60%) of the total contract price.

Agree H&GE

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- B. Before making any subcontract, the Contractor must submit a written statement to the Commissioner giving the name and address of the proposed subcontractor, the portion of the work materials which he is to perform and furnish, and any other information tending to prove that the proposed subcontractor has the necessary facilities, skill, integrity, past experience and financial resources to perform the work in accordance with the terms and conditions of this Contract. As part of the approval process, the contractor will assure that the proposed subcontractor is registered in the County's financial and E-Procurement system.
- C. If the Commissioner finds that the proposed subcontractor is qualified and is registered in the above cited system (see paragraph b. above) he will notify the Contractor.
- D. The Commissioner may revoke his approval of a subcontractor when, such subcontractor evidences an unwilling or inability to perform his work in strict accordance with this Contract.
- E. No assignment will receive approval unless the instrument of assignments contains a clause to the effect that it is agreed that the funds to be paid the assignee under this assignment are subject to a prior lien for services rendered or materials supplied for the performance of the work called for in said Contract in favor of all persons, firms, or corporations rendering such services or supplying such materials.
- F. The approval of the Commissioner of a subcontractor shall not relieve the Contractor of any of his responsibilities, duties, and liabilities hereunder. The Contractor shall be solely responsible to the County for the acts of defaults of his subcontractor and of such subcontractor's officers, agents, and employees, each of whom shall, for all purposes, be deemed to be the agent or employee of the Contractor. Nothing contained in the Contract shall create any contractual relationship between any subcontractor and the County.
- G. In addition, the Contractor, at the time of receiving approval from the Commissioner of the name of a subcontractor, shall, before permitting such subcontractor to commence any work contemplated by this Contract, furnish two certificates of workmen's compensation coverage of the employees of said subcontractor. Unless such certificates shall be furnished to the Commissioner, the approval of such subcontractor shall be deemed revoked.

ARTICLE XXXI. COMPTROLLER'S CERTIFICATE

This Contract shall not be binding or of any force unless the County Comptroller shall endorse thereon his certificate that there remains unexpended and unapplied a balance of the appropriation of fund applicable thereto sufficient to pay the estimated expense of executing this Contract as certified by the Officers making the same. In addition the Contractor shall maintain full and complete books and records of accounts in accordance with accepted accounting practices and such other

records as may be prescribed by the Comptroller of the County of Nassau. Such books and records shall be retained for a period of six (6) years and shall at all times be available for audit and inspection by the Comptroller of the County of Nassau or his duly designated representative.

ARTICLE XXXII. ALL LEGAL PROVISIONS DEEMED INCLUDED; SEPARABILITY; SUPEREMACY; COMPLIANCE WITH LAW

1. Every provision of Law required to be inserted into or referenced by this Agreement is intended to be part of this Agreement. If any such provision is not inserted or is not inserted in correct form then: (a) such provision shall be deemed inserted into this Agreement for purposes of interpretation, and (b) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

2. In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

3. Unless the application of this subsection will cause a provision by Law to be excluded from this Agreement, in the event of any conflict between the terms set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all terms of this Agreement should be read together as not conflicting.

4. The Firm shall comply with any and all applicable federal, state and local Laws, including those relating to conflicts of interest, discrimination, and confidentiality, in connection with its performance under this Agreement. In furtherance of the foregoing, the Firm is bound by and shall comply with the terms of Appendix EE attached hereto. As used in this Agreement, the word "Law" means any and all statutes, rules, regulations, orders, ordinances, writs, injunctions, official resolutions, or decrees, as the same may be amended from time to time, enacted, adopted, promulgated, released, or issued, by or on behalf of any government or political subdivision thereof, quasi-governmental authority, court or official investigative body.

5. The Contractor represents that it is in compliance with the provisions of Local Law No. 9-2002, 'Apprenticeship Training Programs for County Contractors,' including having apprenticeship programs appropriate to the type and scope of work to be performed, which have been registered with and approved by the New York State Commissioner of Labor in accordance with Article 23 of the New York Labor Law. Further,

the Contractor shall ensure that any subcontractors performing work under the Contract with a value in excess of \$100,000 will similarly utilize approved apprenticeship programs."

6. Minimum Service Standards: Regardless of whether required by Law:

- a. The Firm shall, and shall cause Consultant Agents to, conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.
- b. The Firm shall deliver services under this Agreement in a professional manner consistent with the best practices of the industry in which the Firm operates. The Firm shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Consultant Agents to obtain and maintain, all licenses, certifications, and approvals (collectively, "Approvals") necessary or appropriate in connection with the performance of services under this Agreement.

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IN WITNESS THEREOF, the parties have hereunto set their hands and seals, and such of them as are corporations have caused these presents to be signed by their duly authorized officers.

THE COUNTY OF NASSAU

By *[Signature]*
County Executive
Party of the First Part

ATTEST: *[Signature]*
Clerk, Nassau County Legislature

Approved: *[Signature]*
Office of the Commissioner

WELSHEN EPC CORP. OF L.I. Contractor

Corporate Seal

By *[Signature]* L.S.
Party of the Second Part

APPROVED AS PER CHARTER

[Signature] 7/13/16
Deputy County Attorney

Approved: *[Signature]* 7/13/16
Bureau of Real Estate & Insurance



NO TEXT ON THIS PAGE



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(Acknowledgment by Contractor if a Corporation)

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On this 20th day of June, 2016, before me personally came Joseph P. Harris, to me known, who being duly sworn, did depose and say: That he/she resides at [redacted]; That he/she is the President of Walshach Electric of Long Island the Corporation described herein; That he/she which executed the foregoing instrument for said Corporation; That he/she knows the seal of said Corporation; That the seal affixed to said instrument is such Corporate Seal; That it was so affixed by order of the Board of Directors of said Corporation, That he/she signed his/her name thereto by like order.

Laura A. Stein
Notary Public - State of New York
NO. 0186179898
Notary Public Qualified in Nassau County
My Commission Expires 12/24/19

(Acknowledgment by Contractor if a Company)

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On this _____ day of _____, 20____, before me personally came _____, known to be a partner of the firm of _____ the firm described in the foregoing instrument and he/she duly acknowledged that he/she executed the same as for the act and deed of said firm.

Notary Public

(Acknowledgment by Contractor if an Individual)

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On this _____ day of _____, 20____, before me personally came _____, to me known and known to me to be the person described herein, who executed the foregoing instrument and he/she duly acknowledge to me that he/she executed the same.

Notary Public

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CONTRACT ADVISEMENT FORM
NUMIS. No. 550

Agree H&GE

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DATE OF ADVISEMENT			FUND	TRANSACTION CODE		ENCUMBRANCE NUMBER	DEPT	CONTRACT / AGREEMENT NUMBER
MO	RY	YR	(3)	ENTER	MODIFY	CANCEL	(2)	
(2)	(2)	(2)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
6-21-16			GEN			CHPW16000015	PW	H62000-03E

ID: 112354251

VENDOR INFO:

Name: (30) Welsbach Electric Corp of LI

Address: (30) 300 Newtown Road
 (20) Plainview, NY 11803

LINE NO.	PROJECT NUMBER (CAPITAL)	PROJECT DETAIL	INDEX CODE	SUB-OBJECT CODE	LINE AMOUNT
1			PWGEN0150	DE554	\$ 816,166 67
2					
3					
4					

DOCUMENT DESCRIPTION: (30) TOTAL AMOUNT 816,166 67

Nassau County Traffic Signal System Phase II

Contract No. H62000-03E

DEPARTMENT	PREPARED BY	DATE	REVISIONS	APPROVED BY	DATE
Love Affr. Division	6/21/2016	5/6 5/7 9/6/17			
CONTRACT NUMBER	CHPW16000015				
DEPARTMENT	APPROVED BY	DATE			

10

11

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CONTRACTOR'S INSURANCE
WORKER'S COMPENSATION INSURANCE
OWNERS PROTECTIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/16/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH, USA, INC. 1706 AVENUE OF THE AMERICAS NEW YORK, NY 10036 ALT: Email: Contract@a1.marsh.com Fax: 203-229-6767	CONTACT NAME: PHONE: FAX: E-MAIL: ADDRESS:	INSURER(S) AFFORDING COVERAGE INSURER A: Confine (d) Casualty Company INSURER B: American Casualty Company Of Reading, Pa INSURER C: Transatlantic Ins. Co INSURER D: INSURER E: INSURER F:	NAIS # 20462 20467 20484
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COVERAGES CERTIFICATE NUMBER: NYC-00423059 01 REVISION NUMBER: 3

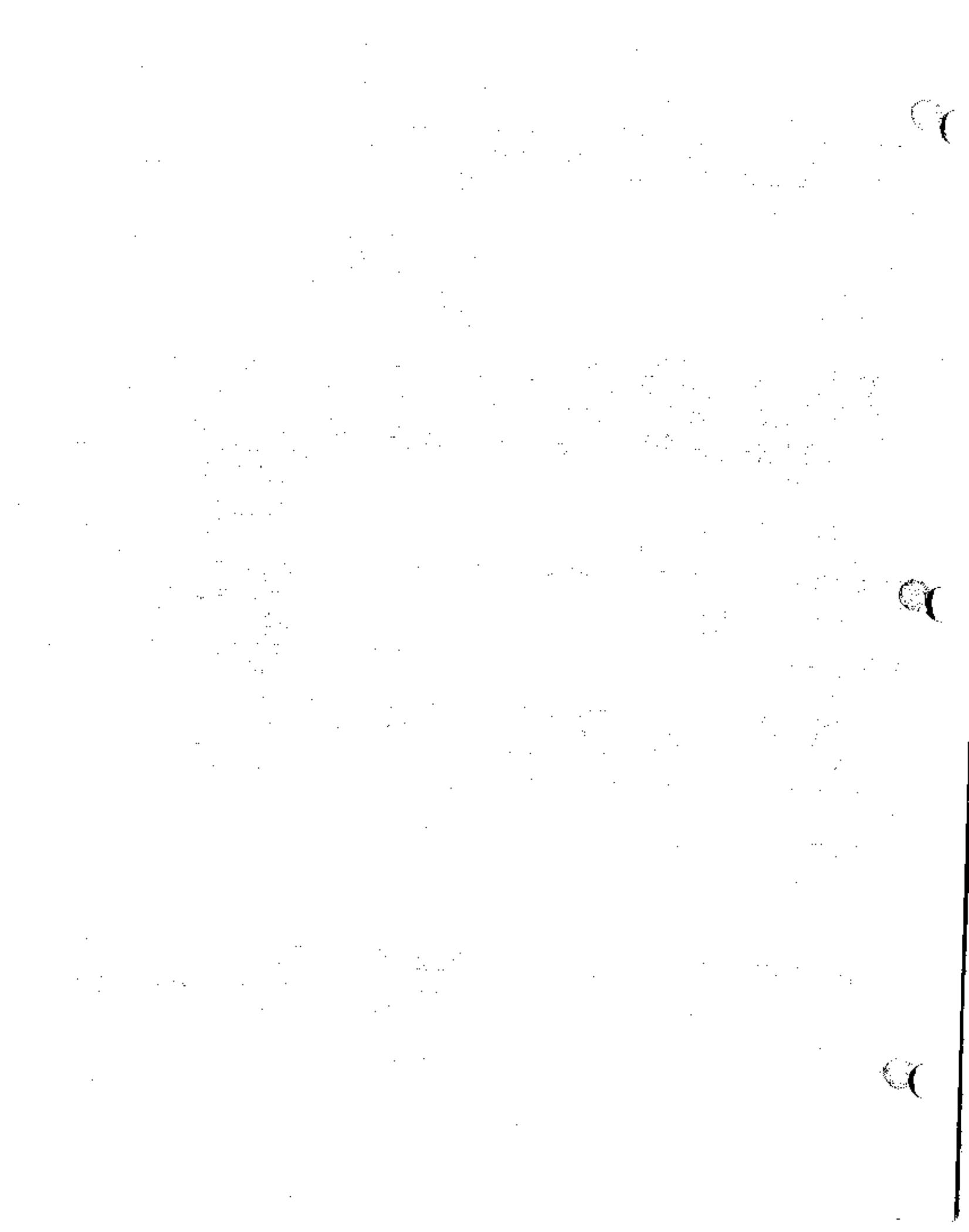
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADD. SUBS (REV. 1/07)	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES THRU: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PERIOD <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:		GL 402575643	10/1/2015	10/01/2016	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ex occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/CP AGG \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS UMBRELLA/LAD <input type="checkbox"/> EXCESS LAD <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		ALA 402575642	10/01/2015	10/01/2016	COMBINED SINGLE LIMIT (Ex aggregate) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Auto Physical Damage \$ (included) EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		WC 4025750380 (AOS)	10/01/2016	10/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> RETENTION \$
C	<input type="checkbox"/> ANY PROPRIETARY/INTELLIGENT EXECUTIVE <input type="checkbox"/> OFFICERS/DIRECTORS EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DISBURSEMENT OF OPERATIONS below	<input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N N/A	WC 4025753384 (CA) WC 4025750377 (AZ, CR, WA)	10/01/2015	10/01/2016	F.L. DASH ACCIDENT \$ 1,000,000 F.L. DISFAG - SA EMPLOYED \$ 1,000,000 C.L. DISFAG - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Section, may be attached if more space is required)
 RE: WSC JOB #325 - NASSAU COUNTY TRAFFIC SIGNAL SYSTEM OPERATIONS PHASE IV - CONTRACT #P6200-026 - IIN #0750.61
 ADDITIONAL INSURED UNDER ALL POLICIES (EXCEPT WORKERS COMPENSATION & EMPLOYERS LIABILITY) WHERE REQUIRED BY CONTRACT: THE COUNTY OF NASSAU, ALL MUNICIPALITIES, MUNICIPAL SUB-DIVISIONS, AND THE OWNERS OF PROPERTIES CONSULTANTS

CERTIFICATE HOLDER NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS BUREAU OF REAL ESTATE INSURANCE 1 WEST STREET MINERVA, NY 11501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE of Marsh, USA Inc. Heidi Bauermeister <i>Heidi E. Bauermeister</i>
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ADDITIONAL REMARKS SCHEDULE

AGENCY WARSH, J&A, INC.		NAMED INSURED WILLS VACH ELECTRIC CORP. OF LI. 300 NEWTOWN ROAD PLAINVIEW, NY 11803	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Rule: Physica Damage Comp / Con Deceivable 3500

In the event of cancellation or material change that reduces or restricts the insurance afforded by this Coverage Part (other than the reduction of aggregate limits) through payment of claims as applicable, Insurer agrees to mail or written notice of cancellation or material change to Certificate Holder.

Schedule:

1. Number of days advance notice: For every statutorily prescribed reason other than non-payment of premium, the number of days required for notice of cancellation or as provided in paragraph 2) shall be the Cancellation Common Policy Conditions or as amended by the applicable state cancellation requirement, is increased to the lesser of 60 days or the number of days required in a later contract.

For non-payment of premium, the greater of (1) the number of days required by state law or (2) the number of days required by written contract.

2. Name:

Notice will be mailed to Certificate holder



**OWNERS AND CONTRACTORS PROTECTIVE
LIABILITY COVERAGE PART
DECLARATIONS**



CNA Insurance Companies
333 S. Wabash Avenue
Chicago, Illinois 60604

Item 1.	PRODUCER NO. 013789	BRANCH 620	PREFIX GL	POLICY NUMBER 6042909113
NAMED INSURED & ADDRESS (Number & Street, Town, County, State & Zip Code) NASSAU COUNTY DEPARTMENT OF PUBLIC WORKS BUREAU OF REAL ESTATE INSURANCE 1 WEST STREET MINEOLA, NY 11501 NAMED INSURED IS: <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION <input checked="" type="checkbox"/> JOINT VENTURE <input checked="" type="checkbox"/> OTHER <u>GOVERNMENTAL ENTITY</u>				

INSURANCE IS PROVIDED BY THE COMPANY DESIGNATED BELOW
(A stock insurance company herein called the company)

- Continental Casualty Company
- National Fire Insurance Company of Hartford
- American Casualty Company of Reading, Pa
- Transportation Insurance Company
- Transcontinental Insurance Company
- Valley Forge Insurance Company

2. Policy Period: From: **07/01/2016** To: **10/01/2016**
 This Policy becomes effective and expires at 12:01 a.m.
 Standard Time at Your Mailing Address Shown Above

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS CONTAINED
HEREIN WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED.
3. AUDIT PERIOD IS ANNUAL UNLESS OTHERWISE STATED.

4. DESIGNATION OF CONTRACTOR: **WELSBACH ELECTRIC CORP. OF L.I.**
 MAILING ADDRESS: **300 NEWTOWN ROAD, PLAINVIEW, NY 11803**
 LOCATION OF COVERED OPERATIONS: **THE COUNTY OF NASSAU, NY**
 DESCRIPTION: **WEC JOB#323-NASSAU COUNTY TRAFFIC SIGNAL SYSTEM OPERATIONS
PHASE IV-CONTRACT#H62000-03E-PIN#0760.81**

5. LIMITS OF INSURANCE

AGGREGATE LIMIT	\$ <u>3,000,000</u>
EACH OCCURRENCE LIMIT	\$ <u>2,500,000</u>

Classification	Code No.	Premium Base	Rate per \$1,000 of cost	Advance Premium
<u>CONSTRUCTION OPERATION - CONTRACTORS (NOT RAILROADS)</u>				
<u>EXCLUDING OPERATIONS ON BOARD SHIPS</u>	<u>16291</u>	<u>\$2,448,500</u>	<u>FLAT</u>	<u>INCLUDED</u>
			<u>TRIA</u>	<u>INCLUDED</u>

7. PREMIUM FOR THIS COVERAGE PART Premium payable at inception: **\$ INCLUDED**

8. ENDORSEMENTS AND FORMS APPLICABLE AT TIME OF ISSUANCE: PREMIUM:

IL 0023(04/98) - Broad Form Nuclear Energy Exclusion
CG0009 04/13, CG2170 01/15, CG2604 07/11, CG2636 12/93, CG2804 10/93,
CG2867 01/11, CG2951 12/07, CG2988 10/93, CG3188 12/04, CG3345 12/05,
CG3353 05/14, CG0105 12/01, IL0017 11/08, IL0185 07/02, G43316C, G39543A

9. THESE DECLARATIONS AND THE GENERAL DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: _____ Date _____

By: _____ Authorized Agent

Thomas C. Motaw
Chairman of the Board

J. Peter Kauter
Secretary



OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM – COVERAGE FOR OPERATIONS OF DESIGNATED CONTRACTOR

Various provisions of this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" and arises out of:

- (a) Operations performed for you by the "contractor" at the location specified in the Declarations; or
 - (b) Your acts or omissions in connection with the general supervision of such operations;
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred. In whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.



- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or

- (2) Assumed in a contract or agreement that is an "insured contract," provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract," reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage," provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Work Completed Or Put To Intended Use

"Bodily injury" or "property damage" which occurs after the earlier of the following times:

- (1) When all "work" on the project (other than service, maintenance or repairs) to be performed for you by the "contractor" at the site of the covered operations has been completed; or

- (2) When that portion of the "contractor's" "work," out of which the injury or damage arises, has been put to its intended use by any person or organization, other than another contractor or subcontractor working directly or indirectly for the "contractor" or as part of the same project.

d. Acts Or Omissions By You And Your Employees

"Bodily injury" or "property damage" arising out of your, or your "employees," acts or omissions other than general supervision of "work" performed for you by the "contractor."

e. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

f. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
- (a) Employment by the Insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

g. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to you;
- (3) Personal property in the care, custody or control of the insured; or
- (4) "Work" performed for you by the "contractor."



h. War

"Bodily injury" or "property damage," however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

i. Mobile Equipment

"Bodily injury" or "property damage" arising out of the use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

j. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by or on behalf of any insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire."
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."



The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This not only helps in tracking expenses but also ensures compliance with tax regulations.

In the second section, the author provides a detailed breakdown of the company's financial performance over the last quarter. This includes a comparison of actual results against the budgeted figures. The analysis shows that while revenue has increased, there has been a corresponding rise in operating expenses, which has impacted the overall profit margin.

The third section focuses on the company's strategic initiatives for the upcoming year. It outlines key areas for growth, such as expanding into new markets and investing in research and development. The author also discusses the potential risks associated with these initiatives and proposes mitigation strategies to ensure the company remains on track.

Finally, the document concludes with a summary of the key findings and recommendations. It stresses the need for continued vigilance in financial management and a commitment to transparency in reporting. The author expresses confidence in the company's ability to overcome challenges and achieve its long-term goals.

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

k. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "work" performed for you by the "contractor"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "work" performed for you by the "contractor."

l. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury."

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

SUPPLEMENTARY PAYMENTS

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which this insurance applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit." However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
- h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial statements and for providing a clear audit trail. The records should be kept in a secure and accessible location, and should be updated regularly.

2. The second part of the document outlines the various methods used to collect and analyze data. This includes both qualitative and quantitative techniques, and should be tailored to the specific needs of the study. It is important to ensure that the data collection process is rigorous and unbiased, and that the analysis is thorough and objective.

3. The third part of the document describes the results of the study and the conclusions drawn from the data. This should be presented in a clear and concise manner, and should include a discussion of the limitations of the study and any implications for future research. The conclusions should be based on the evidence presented, and should be supported by appropriate statistical tests.

4. The fourth part of the document provides a detailed description of the methodology used in the study. This should include information about the sample size, the selection criteria, and the specific procedures used for data collection and analysis. This section is important for ensuring the transparency and replicability of the study.

5. The fifth part of the document discusses the ethical considerations that were taken into account during the study. This includes information about the approval of the study by the appropriate ethics committees, and the measures taken to ensure the confidentiality and anonymity of the participants. It is important to ensure that the study is conducted in a responsible and ethical manner.

6. The sixth part of the document provides a summary of the key findings of the study and the implications for practice. This should be presented in a clear and concise manner, and should include a discussion of the limitations of the study and any implications for future research. The conclusions should be based on the evidence presented, and should be supported by appropriate statistical tests.

7. The final part of the document provides a list of references and a list of appendices. The references should include all of the sources used in the study, and the appendices should include any additional information that is relevant to the study. This section is important for providing a complete and accurate record of the study.

- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the Indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the Indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit."

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that Indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverages – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of Insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds.

- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to their duties as partners or members of a joint venture.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to their duties as members of a limited liability company. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
- a. Any person (other than your "employee") or any organization while acting as your real estate manager.
 - b. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits."
2. The Aggregate Limit is the most we will pay for the sum of damages because of all "bodily injury" and "property damage."
3. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of damages because of all "bodily injury" and "property damage" arising out of any one "occurrence."



If you designate more than one project in the Declarations, the Aggregate Limit shall apply separately to each project.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured and the "contractor" written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notices to the first Named Insured's and the "contractor's" last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the "contractor" any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Changes

This policy contains all the agreements between you, the "contractor" and us concerning the insurance afforded. The first Named Insured shown in the Declarations and the "contractor" are authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

4. Duties In The Event Of Occurrence, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence."
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.



5. Examination Of Your Books And Records

We may examine and audit your books and records as well as the "contractor's" books and records as they relate to this policy at any time during the policy period and up to three years afterward.

6. Inspections And Surveys

a. We have the right to:

- (1) Make inspections and surveys at any time;
- (2) Give you reports on the conditions we find; and
- (3) Recommend changes.

b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to Insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes or standards.

c. Paragraphs a. and b. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

d. Paragraph b. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

7. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

8. Other Insurance

The Insurance afforded by this Coverage Part is primary insurance and we will not seek contribution from any other Insurance available to you unless the other insurance is provided by a contractor other than the designated "contractor" for the same operation and job location designated in the Declarations. Then we will share with that other insurance by the method described below.

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

9. Premiums

The "contractor":

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

10. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the "contractor." The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the "contractor."

c. The "contractor" must keep records of the information we need for premium computation, and send us copies at such times as we may request.

11. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and



- b. Separately to each insured against whom claim is made or "suit" is brought.

12. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment."

- 2. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 3. "Contractor" means the contractor designated in the Declarations.
- 4. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
- 5. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
- 6. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- 7. "Impaired property" means tangible property, other than work performed for you, that cannot be used or is less useful because:
 - a. It incorporates work performed for you that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of the work performed for you or your fulfilling the terms of the contract or agreement.

8. "Insured contract" means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality; or
- e. An elevator maintenance agreement.

9. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."

10. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.



However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos."

11. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
12. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
13. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from, computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

14. "Suit" means a civil proceeding, brought in the United States of America (including its territories and possessions), Puerto Rico or Canada, in which damages because of "bodily injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
15. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
16. "Work" includes materials, parts or equipment furnished in connection with the operations.



COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF
TRANSPORTATION

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or

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wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at

the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.



PREMIUM ENDORSEMENT

IT IS AGREED THE PREMIUM FOR THIS POLICY IS INCLUDED IN THE PREMIUM UNDER POLICY GL 4025756461 ISSUED TO EMCOR GROUP, INC.

This endorsement is part of your policy and takes effect on the effective date of your policy, unless another effective date is shown below.

Must Be Completed	
ENDT. NO.	POLICY NO.
1	GL 6042909113

Complete Only When This Endorsement Is Not Prepared With the Policy Or Is Not to be Effective with the Policy	
ISSUED TO:	EFFECTIVE DATE OF THIS ENDORSEMENT



Countersigned by _____
Authorized Representative

MRC/M11GA16

G-39543A



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

**OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2.,
**Exclusions of Coverages – Bodily Injury And
Property Damage Liability (Section I – Coverages):**

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

- (a) Refusal to employ that person;**
- (b) Termination of that person's employment; or**
- (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or**

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;**
- (2) Whether the insured may be liable as an employer or in any other capacity; and**
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.**



POLICY NUMBER: GL 6042909113
ENDT. NO. 3

COMMERCIAL GENERAL LIABILITY
CG 29 88 10 93

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization: EMCOR GROUP, INC. / WELSBACH ELECTRIC CORP. OF L.I.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for "bodily injury" or "property damage" arising out of your ongoing operations. This waiver applies only to the person or organization shown in the Schedule above.





POLICY NUMBER: GL 6042909113
ENDT. NO. 4

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE FORM
- FARM COVERAGE FORM
- OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM
- RAILROAD PROTECTIVE LIABILITY COVERAGE FORM
- SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY - NEW YORK
- POLLUTION LIABILITY COVERAGE FORM

This insurance does not apply to:

- (1) "Bodily Injury", "property damage", or "personal and advertising injury" arising out of the actual, alleged or threatened exposure at any time to asbestos; or
- (2) Any loss, cost or expense that may be awarded or incurred:
 - (a) by reason of a claim or "suit" for any such injury or damage; or

(b) in complying with a governmental direction or request to test for, monitor, clean up, remove, contain or dispose of asbestos.

Asbestos means the mineral in any form whether or not the asbestos was at any time:

- (1) airborne as a fiber, particle or dust;
- (2) contained in or, formed a part of a product, structure or other real or personal property;
- (3) carried on clothing;
- (4) inhaled or ingested; or
- (5) transmitted by any other means.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

A. This insurance does not apply to "bodily injury" or "property damage" arising out of, caused by, or attributable to, whether in whole or in part, the following:

1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system.

B. The following definition is added to **Section V – Definitions:**

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
3. A reinforced or unreinforced base coat;
4. A finish coat providing surface texture to which color may be added; and
5. Any flashing, caulking or sealant used with the system for any purpose.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

Exclusion 2.i. of Section I – Coverages – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

I. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury."

As used in this exclusion, electronic data means information, facts or programs stored on or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support effective decision-making.

3. The third part of the document focuses on the role of technology in data management and analysis. It discusses how modern software solutions can streamline data collection, storage, and reporting, thereby improving efficiency and accuracy.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure that data is used responsibly and ethically.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It stresses the importance of ongoing monitoring and evaluation to ensure that data management practices remain effective and aligned with the organization's goals.

6. The final part of the document provides a detailed appendix of references and additional resources. This section is intended to provide further context and support for the information presented in the main body of the report.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

A. Paragraph 1. Insuring Agreement of Section I – Coverages is replaced by the following:

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages even if the allegations of the "suit" are groundless, false or fraudulent. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" and arises out of:
 - (a) Operations performed for you by the "contractor" at the location specified in the Declarations; or
 - (b) Your acts or omissions in connection with the general supervision of such operations;

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or



(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

B. The following is added as Paragraph e. to **Duties In The Event Of Occurrence, Claim Or Suit** under Paragraph 4. of **Section IV - Conditions**:

e. Notice given by or on behalf of the insured, or written notice by or on behalf of the injured person or any other claimant, to any agent of ours in New York State, with particulars sufficient to identify the insured, shall be considered to be notice to us.

C. Paragraph 6. **Inspections And Surveys** of **Section IV - Conditions** is replaced by the following:

6. Inspections And Surveys

a. We have the right to:

- (1) Make inspections and surveys at any time;
- (2) Give you reports on the conditions we find; and
- (3) Recommend changes.

b. We are not obligated to make inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes or standards.

c. Paragraphs a. and b. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

d. Paragraph b. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

D. Paragraph 7. **Legal Action Against Us** of **Section IV - Conditions** is replaced by the following:

7. Legal Action Against Us

a. Except as provided in Paragraph b., no person or organization has a right under this Coverage Part:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

b. With respect to "bodily injury" and if provided by endorsement, "personal injury" claims, if we deny coverage or do not admit liability because an insured or the injured person, someone acting for the injured person or other claimant fails to give us written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against us, provided the sole question is whether the denial of coverage or nonadmission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after we deny coverage or do not admit liability, we or an insured:

- (1) Brings an action to declare the rights of the parties under the policy; and
- (2) Names the injured person, someone acting for the injured person or other claimant as a party to the action.



- E. The following provision is added and supersedes any provision to the contrary:

Failure to give notice to us as required under this Coverage Part shall not invalidate any claim made by the insured, injured person or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by the insured, injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

- F. When **CG 28 07**, Principals Protective Liability Coverage endorsement, is attached to an Owners And Contractors Protective Liability Coverage Form, the definition of "loading and unloading" in Paragraph **D.2.** of that endorsement does not apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES - TRANSFER OF DUTIES WHEN A LIMIT OF INSURANCE IS USED UP

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY COVERAGE FORM

The following Condition is added to CONDITIONS (Section IV):

Transfer of Duties When a Limit of Insurance Is Used Up.

a. If we conclude that, based on "occurrences," claims or "suits" which have been reported to us and to which this insurance may apply, the Aggregate Limit or the Each Occurrence Limit is likely to be used up in the payment of judgments or settlements, we will notify the first Named Insured, in writing, to that effect.

b. When a limit of insurance described in paragraph a. above has actually been used up in the payment of judgments or settlements:

(1) We will notify the first Named Insured, in writing, as soon as practicable, that:

(a) Such a limit has actually been used up; and

(b) Our duty to defend "suits" seeking damages subject to that limit has also ended.

(2) We will initiate, and cooperate in, the transfer of control, to any appropriate insured, of all claims and "suits" seeking damages which are subject to that limit and which are reported to us before that limit is used up. That Insured must cooperate in the transfer of control of said claims and "suits."

We agree to take such steps, as we deem appropriate, to avoid a default in, or continue the defense of, such "suits" until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.

We will take no action whatsoever with respect to any claim or "suit" seeking damages that would have been subject to that limit, had it not been used up, if the claim or "suit" is reported to us after that limit of insurance has been used up.

(3) The first Named Insured, and any other insured involved in a "suit" seeking damages subject to that limit, must arrange for the defense of such "suit" within such time period as agreed to between the appropriate insured and us. Absent any such agreement, arrangements for the defense of such "suit" must be made as soon as practicable.

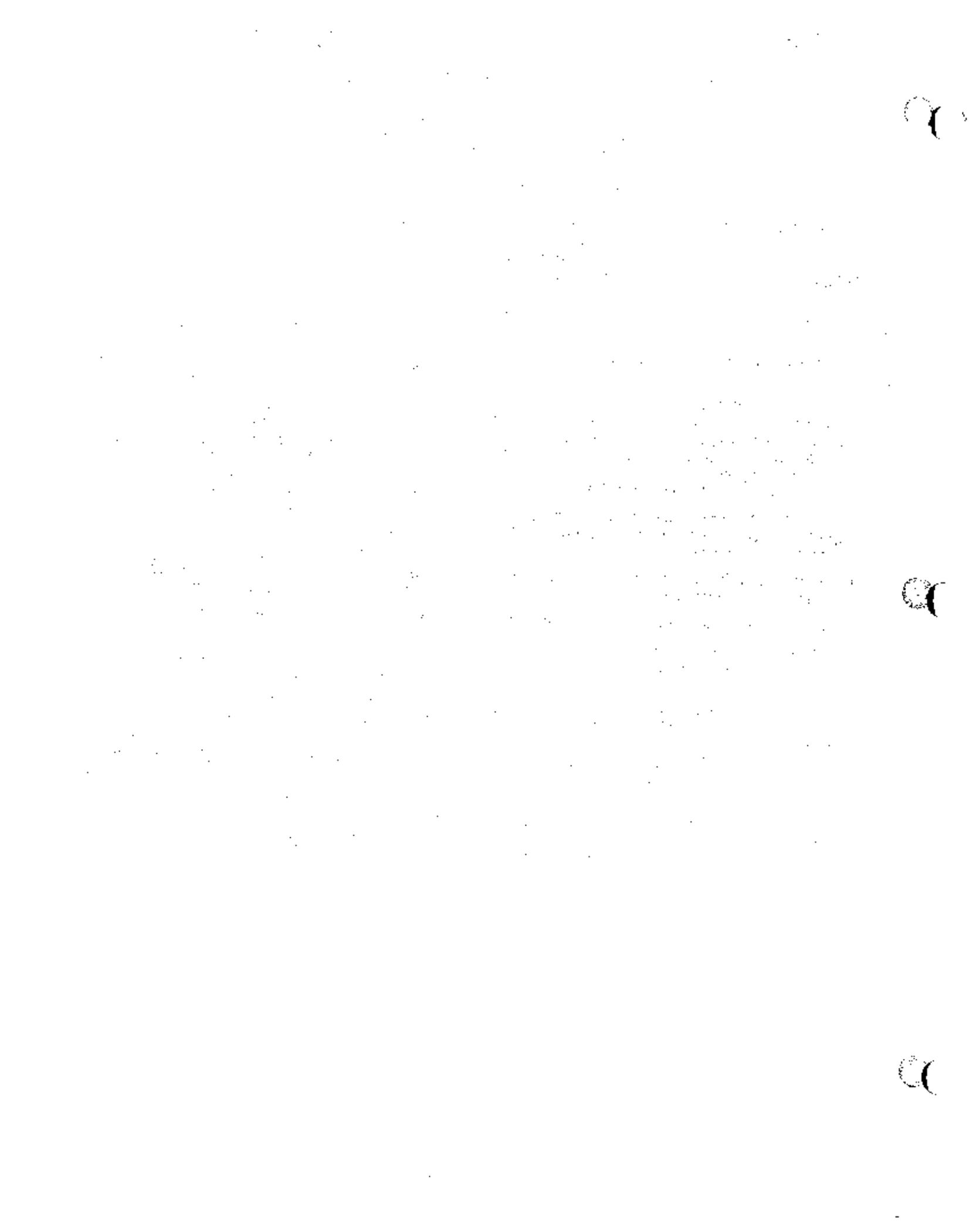
c. The first Named Insured will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with paragraph b.(2) above.

The duty of the first Named Insured to reimburse us will begin on:

(1) The date on which the applicable limit of insurance is used up, if we sent notice in accordance with paragraph a. above; or

(2) The date on which we sent notice in accordance with paragraph b.(1) above, if we did not send notice in accordance with paragraph a. above.

d. The exhaustion of any limit of insurance by the payments of judgments or settlements, and the resulting end of our duty to defend, will not be affected by our failure to comply with any of the provisions of this Condition.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY

A. Paragraphs a., b., c. and e. of the Cancellation Condition are replaced by the following:

a. The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.

b. Cancellation Of Policies In Effect:

(1) 60 Days Or Less

We may cancel this policy by mailing or delivering to the first Named Insured and the "contractor" written notice of cancellation at least:

(a) 30 days before the effective date of cancellation if we cancel for any reason not included in Paragraph (b) below.

(b) 15 days before the effective date of cancellation if we cancel for any of the following reasons:

(i) Nonpayment of premium, provided, however, that a notice of cancellation on this ground shall inform the first Named Insured and the "contractor" of the amount due;

(ii) Conviction of a crime arising out of acts increasing the hazard insured against;

(iii) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim thereunder;

(iv) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy period;

(v) Material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

(vi) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public; or

(vii) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code.



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(2) For More Than 60 Days

If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel this policy only for any of the reasons listed in Paragraph (1)(b) above, provided:

- (a) We mail the first Named Insured and the "contractor" written notice at least 15 days before the effective date of cancellation; and
- (b) If we cancel for nonpayment of premium, our notice of cancellation informs the first Named Insured and the "contractor" of the amount due.

- c. We will mail or deliver our notice including the reason to the first Named Insured and the "contractor" at the respective addresses shown in the policy and the authorized agent or broker.
- e. If this policy is cancelled, we will send the "contractor" any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata.

However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

B. The following is added to the Cancellation Condition:

If one of the reasons for cancellation in Paragraph A.b.(1)(b) exists, we may cancel this entire policy, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this policy.

C. The following Conditions are added and supersede any other provisions to the contrary:

1. Nonrenewal

If we decide not to renew this policy, we will send notice as provided in Paragraph C.3. below.

2. Conditional Renewal

If we condition renewal of this policy upon:

- a. A change of limits;
- b. A change in type of coverage;
- c. A reduction of coverage;

- d. An increased deductible;
- e. An addition of exclusion;
- f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph C.3. below.

3. Notices Of Nonrenewal And Conditional Renewal

- a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs C.1. and C.2. above, we will mail or deliver written notice to the first Named Insured shown in the Declarations and the "contractor" at least 60 but not more than 120 days before:

(1) The expiration date; or

(2) The anniversary date if this is a continuous policy.

- b. Notice, including the specific reason(s) for nonrenewal or conditional renewal, the amount of any premium increase (for conditional renewal) and a description of any other changes, will be mailed or delivered to the first Named Insured and the "contractor" at the respective addresses shown in the policy and the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.

- c. We will not send you notice of non-renewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.

- d. If we send the first Named Insured or the "contractor" an incomplete or late conditional renewal notice or a late nonrenewal notice:

(1) As provided for in Paragraph C.3. above, and if notice is provided prior to the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60-day period, has replaced the coverage or elects to cancel sooner;



- (2) And if the notice is provided on or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another required policy period at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional required policy period, has replaced the coverage or elects to cancel sooner.
- e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:
 - (1) Upon expiration of the 60-day period unless Subparagraph (2) below applies; or
 - (2) Notwithstanding the provisions in Paragraphs d.(1) and d.(2), as of the renewal date of the policy if the conditional renewal notice was sent at least 30 days prior to the expiration or anniversary date of the policy.
- f. The aggregate limits of this policy as shown in the Declarations will be increased in proportion to any policy extension provided in accordance with Paragraph C.3.d. above.
- g. The last sentence of Limits of Insurance does not apply when the policy period is extended because we sent the first Named Insured or the "contractor" an incomplete or late conditional renewal notice or a late nonrenewal notice.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
NEW YORK CHANGES – CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY – NEW YORK

- A. For policies with fixed terms in excess of one year, or policies with no stated expiration date, except as provided in paragraph B., the following applies:

The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. On each renewal or continuation of this policy, we will compute the premium in accordance with our rates and rules then in effect.

- B. For policies with fixed terms in excess of one year, where premium is computed and paid annually, the following applies:
1. The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. Such rates and rules will be used to calculate the premium at each anniversary, for the entire term of the policy, unless the specific reasons described in paragraphs 2. or 3. apply.
 2. The premium will be computed based on the rates and rules in effect on the anniversary date of the policy only when, subsequent to the inception of the current policy period, one or more of the following occurs:
 - a. After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy

condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current policy period;

- b. A material physical change in the property insured, occurring after issuance or last anniversary renewal date of the policy, causes the property to become uninsurable in accordance with underwriting standards in effect at the time the policy was issued or last renewed; or
 - c. A material change in the nature or extent of the risk, occurring after issuance or last anniversary renewal date of the policy, which causes the risk of "loss" to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed.
3. If, subsequent to the inception of the current policy period, the Limit of Insurance is increased, or Additional Coverages or Causes of Loss are insured, the rate and rules in effect at the time of the change will be applied to calculate the premium and will continue to apply to the change at subsequent anniversary dates.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
NEW YORK CHANGES – NON-BINDING ARBITRATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

If we and the insured do not agree whether coverage is provided under this Coverage Part for a claim made against the insured, then either party may make a written demand for arbitration.

When this demand is made, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply. Any decision agreed to by the arbitrators may be appealed to a court of competent jurisdictions.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – PREMIUM AUDIT

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY

- A.** Paragraph **b.** of the **Premium Audit** Condition (**Section IV – Conditions**) is replaced by the following:
- 10. Premium Audit**
- b.** Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the "contractor". The due date for audit and retrospective premiums is the date shown as the due date on the bill. An audit to determine the final premium due or to be refunded will be completed within 180 days after the expiration date of the policy. But the audit may be waived if the total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1500. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the "contractor".
- B.** Except as provided in Paragraph **A.** above, the **Examination Of Your Books And Records** Condition (**Section IV – Conditions**) continues to apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EARLIER NOTICE OF CANCELLATION
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

SCHEDULE

Number of Days' Notice 90

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph b. of either the CANCELLATION Condition (Section **IV** - Conditions) or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.



FORM OF PERFORMANCE BOND

Bond No. 108516506
82443368

KNOW ALL MEN BY THESE PRESENTS,

that Wolbach Electric Corp. d/b/a, 300 Newtown Road, Fairview NY 11533 (hereinafter called the "Contractor") and Travelers Casualty and Surety Company of America & Federal Insurance Company a corporation created and existing under the laws of the State of CT & IN, and licensed to do business in the State of New York, having its principal office in the city of One Tower Square, Hartford, CT 06183 (TR) & 15 Mountain View Road, Warren, NJ 07058 (FE) (hereinafter called the "Surety"), are held firmly bound unto the COUNTY OF NASSAU, a municipal corporation of the State of New York (hereinafter called the "Owner"), in the full and just sum of

Two Million Four Hundred Forty Eight Thousand Five Hundred and 00/100 Dollars (\$2,448,500.00) good and lawful money of the United States of America, to the payment of which said sum of money, with and truly to be made and done, the said Contractor binds themselves (himself, itself), their (his, its) heirs, executors and administrators, successors and assigns, and the said Surety binds itself, its successors and assigns jointly and severally, firmly by these presents.

Signed, sealed and dated this 15th day of June, 2016

WHEREAS, said Contractor has entered into a certain written contract, bearing even date with these premises with the COUNTY OF NASSAU, for the

Contract No. H62000-03E, Nassau County Traffic Signal System Operations, Phase V, P/N 0750.81

which contract is hereby made a part of this bond as if herein set forth in full.

NOW, THEREFORE, THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH, that if the said Contractor shall well, truly and faithfully comply with and perform all the terms, covenants and conditions of said contract on their (his, its) part to be kept and performed, according to the true intent and meaning of said contract, and shall protect the said Owner against, and pay any and all amounts, damages, cost and judgments which may or shall be recovered against said Owner or its officers or agents or which the said Owner may be called upon to pay to any person or corporation by reason of any damages arising or growing out of the doing of said work, or the manner of doing the same, or the neglect of the said Contractor or his (their, its) agents or servants, or the improper performance of the said work by the said Contractor, or his (their, its) agents or servants, or the infringement of any or patent rights by reason of the use of any materials furnished or work done as aforesaid or otherwise, and



also pay or cause to be paid the wages and compensation for labor performed and services rendered of all persons engaged in the prosecution of the work provided for therein, whether such persons be agents, servants or employees of the contractor, or his (their, its) successors or of any subcontractor or of any assignee thereof, (including all persons so engaged who perform the work of laborers or of mechanics regardless of any contractual relationship between the Contractor, or his (their, its) successors, or assigns, or any subcontractor or any assignee thereof) and such laborers or mechanics, but not including office employees not regularly stationed at the site of the work, and, further, shall pay or cause to be paid all lawful claims of subcontractors and of material men and other third persons arising out of or in connection with said Contract, and the work, labor, services, supplies and material furnished in and about the performance and completion thereof,

Under this obligation shall be null and void, otherwise to remain in full force and virtue.

And the said Surety, for value received, hereby stipulates and agrees, if requested to do so by the Owner to fully perform and complete the work mentioned and described in said contract and specifications, pursuant to the terms, conditions and covenants thereof, if for any cause, said Contractor fails or neglects to so fully perform and complete said work, and said Surety further agrees to commence said work of completion within twenty days after notice thereof from the Owner, and to complete the same within twenty days from the expiration of the time allowed said Contractor in said contract and specifications for the completion of said work. When the contractor is declared in default by the Commissioner, the Surety Company must honor default notice and immediately progress the work to completion in the same manner as though the contractor were bankrupt or had willfully defaulted.

And the Surety, for value received, for itself and its successors and assigns, hereby stipulates and agrees that the obligations of said Surety and of its successors and assigns, and this bond shall in no way be impaired or affected by any extension of time, modification, omission, addition or change in or to the said contract or the work to be performed thereunder, or by any payment thereunder before the time required therein, or by any waiver of any provision thereof, or by any assignment, subletting or other transfer thereof, or any part thereof, or of any work to be performed, or of any moneys due or to become due thereunder; and the said Surety for itself and its successors and assigns, does hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts, and transfers, and hereby stipulates and agrees that any and all things done or omitted to be done by and in relation to the executors, administrators, successors, assigns, subcontractors and other transferees of the Contract shall have the same effect as to said Surety and its successors and assigns, as though done or omitted to be done by and in relation to said Contractor.



IN TESTIMONY WHEREOF, the said Contractor has hereunto set his (their, its) hand and seal and the said Surety has caused this instrument to be signed by its duly authorized officer (s) or representative (s), and its corporate seal to be hereunto affixed, the day and year first above written.

Wesco Electric Corp of LI.

Contractor

by [Signature] (I.S.)

(Corporate seal of Contractor if a corporation)

by _____ (I.S.)

Title

by _____ (I.S.)

Title

Travelers Casualty and Surety Company of America
& Federal Insurance Company

Surety

by [Signature] (I.S.)

Title of Officer
Rita S. Siano, Attorney at Law

Witness.

XXXXXX: [Signature] (I.S.)
XXXXXXXXXXXXXXXXXXXX

(Corporate seal of Surety)

APPROVED AS PER CHARTER:

Deputy County Attorney

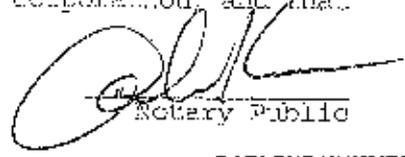


(Acknowledgment by Contractor if a corporation)

STATE OF NEW YORK)

ss.:)
COUNTY OF NASSAU)

On this 20th day of JUNE, 2016, before me personally
CRMS Joseph P. Franco to me known,
who, being by me duly sworn, did depose and say for himself, that he
resides in [redacted]
that he is [redacted] the Welsbach Electric Corp. of L.I.
the corporation described in, and which executed the foregoing
instrument; that he knows the seal of said corporation; that the seal
affixed to said instrument is such corporate seal; that it was so
affixed by order of the Board of Directors of said corporation, and that
he signed his name thereto by like order.


Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU6096716
Qualified in Suffolk County
Commission Expires August 4, 2019

(Acknowledgment by Contractor if a partnership)

STATE OF _____)

ss.:)
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
CRMS _____ to me known and known
to me to be a member of
the firm described in and which executed the foregoing bond or
obligation, and he acknowledged to me that he subscribed the name of
said firm thereto on behalf of said firm for the purpose therein
mentioned.

Notary Public

(Acknowledgment by Contractor if an individual.)

STATE OF _____)

ss.:)
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally
CRMS _____ to me
known and known to me to be the person described in and who executed the
foregoing instrument, and he duly acknowledged that he executed the
same.

Notary Public



1. The first part of the document
 discusses the importance of
 maintaining accurate records
 for all transactions.

2. The second part of the document
 discusses the importance of
 maintaining accurate records
 for all transactions.



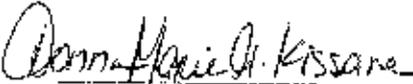
(Acknowledgment by Surety Company)

STATE OF New York)

ss.)
COUNTY OF Nassau)

On this 16th day of June, 2016, before personally came
Rita Sagistano to me
known, was being by me duly sworn, and depose and say that he resides
in Nassau County, New York

that he is the Attorney-in-Fact of the Casualty and Surety Company of America & Federal Insurance Company
the corporation described in and which executed the within instrument;
that he knows the seal of said corporation; that the seal affixed to
said instrument is such corporate seal; that it was so affixed by the
order of the Board of Directors of said corporation, and that he signed
his name thereto by like order; and that the liabilities of said company
do not exceed its assets as ascertained in the manner provided by the
laws of the State of New York, and the said Donnamarie A. Kissare further said
that he is acquainted with Rita Sagistano and knows him
to be the Attorney-in-Fact of said company; that the signature
of the said Rita Sagistano subscribed to the within instrument is
in the genuine handwriting of the said Rita Sagistano
and was subscribed thereto by like order of the Board of Directors, and
in the presence of him, the said Donnamarie A. Kissare


Notary Public

DONNAMARIE A KISSARE
Notary Public, State of New York
No. 01KJ6297783
Qualified in Nassau County
Commission Expires March 3, 2018

COMMISSIONER OF THE STATE DEPARTMENT OF TAXATION
STATE OF NEW YORK
ALBANY, N. Y.
OFFICE OF THE COMMISSIONER
100 STATE STREET, ALBANY, N. Y.

POWER OF ATTORNEY
FINANCIAL STATEMENT

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**Chubb
Surety**

**POWER
OF
ATTORNEY**

**Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company**

**Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059**

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Thomas Bean, George O. Brewster, Desiree Cardlin, Colette R. Chisholm, Susan Lupski, Gerard S. Macholz, Camille Maitland, Robert T. Pearson, Nelly Renciwich, Rita Sagistano, Vincent Walsh and Mia Woo-Warren of Uniondale, New York

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety hereon or otherwise bonds and undertakings and other writings obligatory in the nature thereof (other than bill bonds) given or executed in the course of business and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **20th** day of **July**, 2015.

Dawn M. Chloros, Assistant Secretary

David B. Norris, Jr. Vice President



STATE OF NEW JERSEY

ss.

County of Somerset

On this **20th** day of **July**, 2015 before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**. The companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority, and that she is acquainted with David B. Norris, Jr. and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr. subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr. and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal:



KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No. 2316585
Commission Expires July 16, 2019

Notary Public

CERTIFICATION

Extract from the By-Laws of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY**:

Except as otherwise provided in these By-Laws or by law or as otherwise directed by the Board of Directors, the President or any Vice President shall be authorized to execute and deliver, in the name and on behalf of the Corporation, all agreements, bonds, contracts, deeds, mortgages, and other instruments, either for the Corporation's own account or in a fiduciary or other capacity, and the seal of the Corporation, if appropriate, shall be affixed thereto by any of such officers or the Secretary or an Assistant Secretary. The Board of Directors, the President or any Vice President designated by the Board of Directors may authorize any other officer, employee or agent to execute and deliver, in the name and on behalf of the Corporation, agreements, bonds, contracts, deeds, mortgages, and other instruments, either for the Corporation's own account or in a fiduciary or other capacity, and, if appropriate, to affix the seal of the Corporation thereto. The grant of such authority by the Board or any such officer may be general or confined to specific instances.

I, Dawn M. Chloros, Assistant Secretary of **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** (the "Companies"), do hereby certify that:

- (i) the foregoing extract of the By-Laws of the Companies is true and correct;
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department, further, Federal and Vigilant are licensed in the U.S. Virgin Islands, and Federal is licensed in Guam, Puerto Rico, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this **16th** day of **June**, 2016



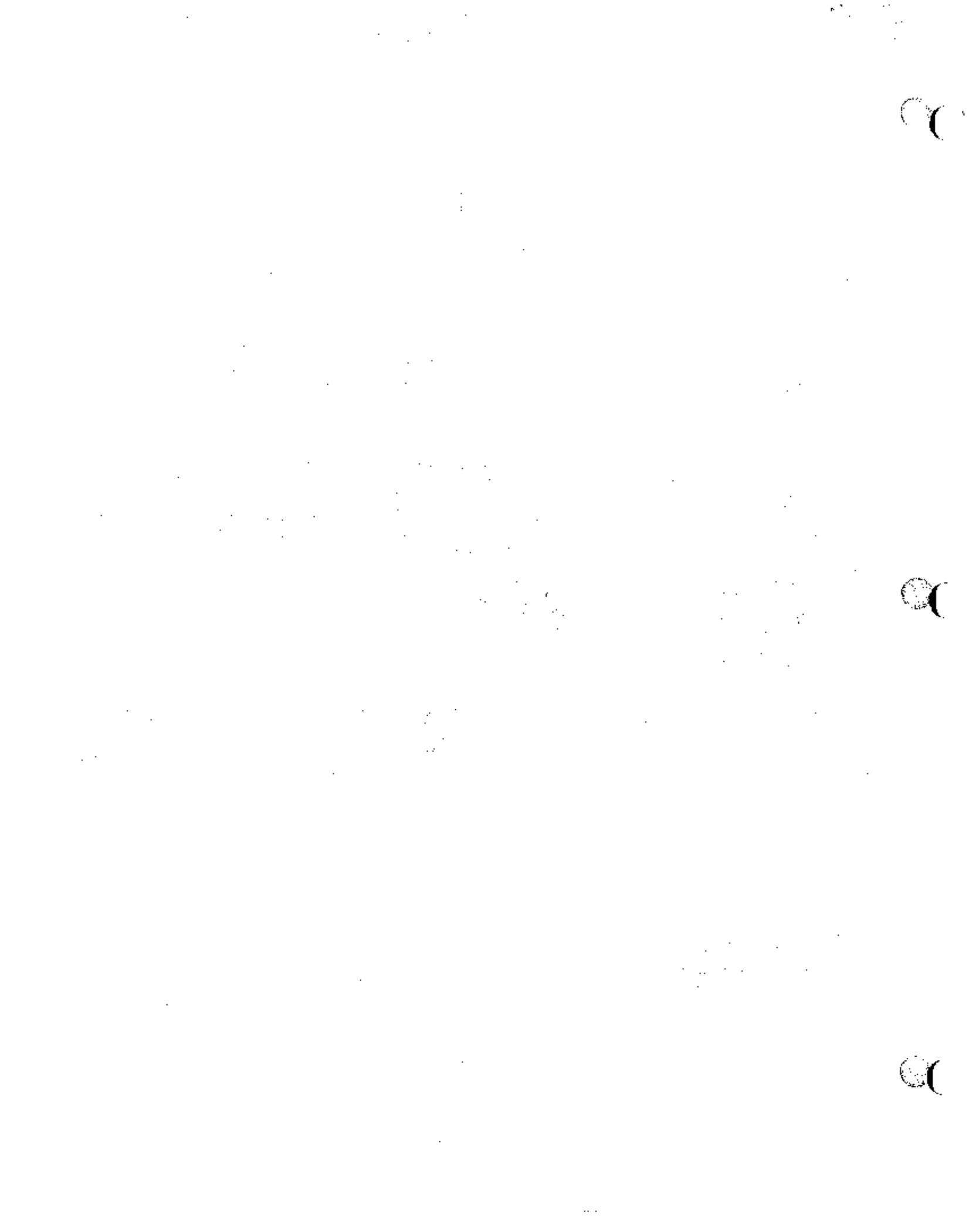
Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY:

Telephone: (908) 963-3493

Fax: (908) 603-3896

e-mail: surety@chubb.com



ACKNOWLEDGMENT OF SURETY COMPANY

STATE OF ..New York..... }
COUNTY OF ...NASSAU..... } ss

On this ..June 16, 2016..... before me personally came Rita Sagistano
to me known, who, being by me duly sworn, did depose and say; that he/she resides in
Nassau County State of NY....., that he/she is the Attorney-in-Fact of the
Federal Insurance Company..... the corporation described in which executed the
above instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is
such corporate seal; that it was so affixed by the Board of Directors of said corporation; and that he/she signed
his/her name thereto by like order; and the affiant did further depose and say that the Superintendent of
Insurance of the State of New York, has, pursuant to Section 1111 of the Insurance Law of the State of New
York, issued to Federal Insurance Company..... (Surety) his/her certificate of
qualification evidencing the qualification of said Company and its sufficiency under any law of the State of New
York as surety and guarantor, and the propriety of accepting and approving it as such; and that such certificate
has not been revoked.

Donnamarie A. Kissane
Notary Public

NY Acknowledgment

DONNAMARIE A KISSANE
Notary Public, State of New York
No. 01K10207703
Qualified in Nassau County
Commission Expires March 3, 2018

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FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2015

(in thousands of dollars)

ASSETS		LIABILITIES AND SURPLUS TO POLICYHOLDERS	
Cash and Short Term Investments.....	\$ 687,917	Outstanding Losses and Loss Expenses.....	\$ 12,774,818
United States Government, State and Municipal Bonds.....	9,547,097	Unearned Premiums.....	3,726,365
Other Bonds.....	7,481,258	Dividends Payable to Stockholder.....	1,400,000
Stocks.....	692,901	Ceded Reinsurance Premiums Payable.....	329,694
Other Invested Assets.....	2,187,839	Provision for Reinsurance.....	35,560
		Other Liabilities.....	1,285,083
TOTAL INVESTMENTS.....	17,603,992	TOTAL LIABILITIES.....	18,961,660
Investments in Affiliates:		Capital Stock.....	20,980
Chubb Investment Holdings, Inc.....	3,679,770	Paid-in Surplus.....	3,106,808
Pacific Indemnity Company.....	2,930,246	Unassigned Funds.....	10,150,916
Executive Risk Indemnity Inc.....	1,237,144		
Chippa Insurance Investment Holdings Ltd....	1,020,650	SURPLUS TO POLICYHOLDERS.....	13,278,705
CC Canaca Holdings Ltd.....	590,965		
Great Northern Insurance Company.....	769,230		
Chubb Insurance Company of Australia Ltd.	404,545		
Vigilant Insurance Company.....	308,232		
Chubb European Investment Holdings SLP..	204,200		
Other Affiliates.....	566,480		
Premiums Receivable.....	1,659,749		
Other Assets.....	1,447,072		
TOTAL ADMITTED ASSETS.....	\$ 32,240,665	TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS.....	\$ 32,240,665

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners.
At December 31, 2015, investments with a carrying value of \$646,571,273 were deposited with government authorities
as required by law.

State, County & City of New York — ss:

Dawn M. Chloros, Assistant Secretary of the Federal Insurance Company
being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said
Federal Insurance Company on December 31, 2015 is true and correct and is a true extract of the Annual Statement of said
Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2015.

Subscribed and sworn to before me
this March 11, 2016.

Jeanelle Shipsey
Notary Public

Dawn M. Chloros
Assistant Secretary

JEANE TTE SHIPSEY
Notary Public, State of New York
No. 02SH5074142
Qualified in Nassau County
Commission Expires March 10 2019



TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
HARTFORD, CT. 06183

ATTORNEY-IN-FACT JUSTIFICATION
PRINCIPAL'S ACKNOWLEDGMENT — IF A CORPORATION

State of New York, County of _____) ss

On this _____ day of _____, 2016, before me personally appeared _____ to me known, who, being by me duly sworn, deposes and says: That he/she resides in the City of _____ of _____, the corporation described in and which executed the within instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that he/she signed the within instrument by like order.

PRINCIPAL'S ACKNOWLEDGMENT — IF INDIVIDUAL OR FIRM

State of New York, County of _____) ss

On this _____ day of _____, 2016, before me personally appeared _____ known to be (the individual) (part of the firm of _____) described in and who executed the within instrument, and he/she thereupon duly acknowledged to me that he/she executed the same (as the act and deed of said firm).

SURETY COMPANY'S ACKNOWLEDGMENT

State of New York, County of Nassau) ss

On this 16th day of June, 2016, before me personally appeared Rita Sagistano me known, who, being by me duly sworn, did depose and say: That he/she resides in the County of Nassau, NY that he/she is Attorney-in-Fact of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, the corporation described in and which executed the within instrument; that he/she knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal, and that he/she signed said instrument as Attorney-in-Fact by authority of the Board of Directors of said Company; and affiant did further depose and say that the Superintendent of Insurance of the State of New York has, pursuant to Chapter 892 of the Laws of the State of New York for the year 1999, constituting Chapter 28 of the Consolidating Laws of the State of New York as the Insurance Law as amended, issued to TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA a broker certificate that said Company is qualified to become and be accepted as surety or guarantor on all bonds, undertakings, recognizances, guaranties, and other obligations required or permitted by law; and that such certificate has not been revoked.

Donna Marie A. Kissane
Notary Public

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Hartford, Connecticut 06183
FINANCIAL STATEMENT AS OF DECEMBER 31, 2015
AS FILED WITH THE INSURANCE DEPT. OF THE STATE OF NEW YORK
CAPITAL STOCK \$ 6,480,000

DONNAMARIE A. KISSANE
Notary Public, State of New York
No. 01K16267753
Qualified in Nassau County
Commission Expires March 3, 2018

ASSETS		LIABILITIES & SURPLUS	
CASH AND INVESTED CASH	\$ 54,650,821	UNEARNED PREMIUMS	\$ 692,633,464
BONDS	2,800,572,630	LOSSES	729,726,171
STOCKS	245,081,111	LOSS ADJUSTMENT EXPENSES	270,060,106
INVESTMENT INCOME DUE AND ACCRUED	42,095,720	COMMISSIONS	25,399,014
OTHER INVESTED ASSETS	3,300,675	TAXES, LICENSES AND FEES	11,351,717
PREMIUM BALANCES	200,000,913	OTHER EXPENSES	26,465,687
NET DEFERRED TAX ASSET	45,751,168	CURRENT FEDERAL AND FOREIGN INCOME TAXES	10,469,820
REINSURANCE RECOVERABLE	32,632,988	REMITTANCE AND ITEMS NOT ALLOCATED	4,965,722
SECURITIES LENDING REINVESTED COLLATERAL ASSETS	11,772,176	AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	23,289,851
RECEIVABLES FROM PARENT, SUBSIDIARIES AND AFFILIATES	29,659,492	RETROACTIVE REINSURANCE RESERVE ASSUMED	696,144
OTHER ASSETS	5,685,687	POLICYHOLDER DIVIDENDS	9,060,181
		PROVISION FOR REINSURANCE	3,834,204
		ADVANCE PREMIUM	1,572,630
		PAYABLE FOR SECURITIES	6,000,000
		PAYABLE FOR SECURITIES LENDING	11,772,176
		CEDED REINSURANCE NET PREMIUMS PAYABLE	26,036,328
		ESCHEAT LIABILITY	634,927
		OTHER ACCRUED EXPENSES AND LIABILITIES	1,858,850
		TOTAL LIABILITIES	\$ 2,081,367,881
		CAPITAL STOCK	\$ 6,480,000
		PAY IN SURPLUS	433,660,780
		OTHER SURPLUS	1,863,312,026
		TOTAL SURPLUS TO POLICYHOLDERS	\$ 2,143,452,786
TOTAL ASSETS	\$ 4,164,803,789	TOTAL LIABILITIES & SURPLUS	\$ 4,164,803,789

Securities carried at \$7,695,538 in the above statement are deposited with public authorities, as required by law.



POWER OF ATTORNEY



Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 229701

Certificate No. 006740784

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (together collectively as hereinafter "Companies"), and that the Companies do hereby make, constitute and appoint:

Thomas Beau, Rita Sagristano, Gerard S. Macholz, Susan Lipski, Robert T. Peterson, Camille Maffand, George O. Brewster, Colette R. Chisholm, Vincent A. Walsh, Lee Ferrucci, Desiree Carlin, Nelly Rencchiwich, and Mia Woo-Warren

of the City of Uniondale, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts, and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 21st day of April, 2016

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Roney, Senior Vice President

On this the 21st day of April, 2016, before me personally appeared Robert L. Roney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein confined by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Board of Directors of Farmington, California, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guaranty Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company of America, Casualty and Surety Company of America, United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, making as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, any Assistant President, any General Secretary or any Assistant Secretary may appoint attorneys-in-fact and agents-in-fact for and on behalf of the Company and may give and appoint such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any of said officers or the Board of Directors at any time may remove any such appointed and receive as power given him or her and it is

FURTHER RESOLVED that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or duly executed under seal, if required by one or more Attorneys-in-Fact or Agents-in-Fact in the power prescribed in his or her certificate or their certificate of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be effected by facsimile or by Power of Attorney or by any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting to bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and verified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or undertaking to which it is attached.

I, Kevin E. Hughes, an underlined Assistant Secretary of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guaranty Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 16th day of June 1916

Kevin E. Hughes
Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3830 or contact us at www.americanboard.com. Please refer to the Attorney-in-Fact number, the above-named individuals and the details of the Board to which the Power is attached.

CERTIFICATE OF SOLVENCY

NO TEXT ON THIS PAGE

CERTIFICATE OF SOLVENCY UNDER SECTION 1111 OF THE NEW
YORK INSURANCE LAW

STATE OF NEW YORK

DEPARTMENT OF FINANCIAL SERVICES

It is hereby certified that

Travelers Casualty and Surety Company of America

Of Hartford, Connecticut

a corporation organized under the laws of the State of Connecticut and duly authorized to transact the business of insurance in this State, is qualified to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law; and that the said corporation is possessed of a capital and surplus including gross paid-in and contributed surplus and unassigned funds (surplus) aggregating the sum of \$2,232,075,875 (Capital \$6,480,000) as is shown by its sworn financial statement for the first quarter ending March 31, 2016 on file in this Department, prior to audit.

The said corporation cannot lawfully expose itself to loss on any one risk or hazard to an amount exceeding 10% of its surplus to policyholders, unless it shall be protected in excess of that amount in the manner provided in Section 4118 of the Insurance Law of this State.



In Witness Whereof, I have

unto set my hand and affixed

official seal of this Department
in the City of Albany, this

18th day of May, 2016.

Maria T. Vullo
Acting Superintendent

By *Jacqueline Catalfamo*

Jacqueline Catalfamo
Special Deputy Superintendent



CERTIFICATE OF SOLVENCY UNDER SECTION 4111 OF THE NEW YORK INSURANCE LAW

STATE OF NEW YORK
DEPARTMENT OF FINANCIAL SERVICES

It is hereby certified that

FEDERAL INSURANCE COMPANY

Of Indianapolis, Indiana

a corporation organized under the laws of the State of Indiana and duly authorized to transact the business of insurance in this State, is qualified to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law; and that the said corporation is possessed of a capital and surplus including gross paid-in and contributed surplus and unassigned funds (surplus) aggregating the sum of \$13,278,704,754 (Capital \$20,980,068) as is shown by its sworn financial statement for the year ending December 31, 2015 on file in this Department, prior to audit.

The said corporation cannot lawfully expose itself to loss on any one risk or hazard to an amount exceeding 10% of its surplus to policyholders, unless it shall be protected in excess of that amount in the manner provided in Section 4118 of the Insurance Law of this State.



In Witness Whereof, I have here-
unto set my hand and affixed
the official seal of this Department
in the City of Albany, this
15th day of April, 2016.

Maria T. Vullo
Acting Superintendent

By *Jacqueline Catalfamo*

Jacqueline Catalfamo
Special Deputy Superintendent



LABOR AND MATERIAL PAYMENT BOND

FORM OF LABOR AND MATERIAL PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

that Walsagh Electric Corp. of LI, 233 Newtown Road, Plainville, NY 11803 as Principal,
(Here insert the name and address, or legal title, of the Contractor)

hereinafter called Principal, and Travlers Casualty and Surety Company of America & Federal Insurance Company

a corporation of the State of CT&IN, and licensed to do business in the State of New York, with its home office in

One Tower Square, Hartford, CT 06185 (TR) & 15 Mountain View Road, Warren, N.J. 07059 (FE), as Surety, hereinafter called Surety, and hold and firmly bound unto the County of Nassau, as Obligee, hereinafter called Owner, for the use and benefit of claimants as herein below defined, in the amount of

Two Million Four Hundred Forty Eight Thousand Five Hundred and 00/100 Dollars (\$2,448,500.00)
(Here insert a sum equal to the contract price), for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Principal has by written agreement dated June 13, 2016 entered into a contract with Owner for,
Contract No. H62000-03E, Nassau County Traffic Signal System Operations, Phase V, PIN 0760 61

which contract is by reference made a part herof, and is hereafter referred to as the CONTRACT.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the CONTRACT, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a sub-contractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the CONTRACT.
2. The above named Principal, and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such



- claimant, may sue on this bond for the use of such claimant in the name of the Owner, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon, provided, however, that the Owner shall not be liable for the payments of any cost or expenses of any such suit.
3. No suit or action shall be commenced hereunder by any claimant.
 - a. Unless claimant shall have given written notice to the following: Principal, the Owner, and the Surety above named, within ninety(90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail, postage prepaid, in an envelope addressed to the Principal, Owner and Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer.
 - b. After the expiration of one (1) year following the date on which Principal ceased work on said CONTRACT.
 - c. Other than in a court of competent jurisdiction in and for the County of Nassau.
 4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics liens which may be filed of record against said improvements, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and sealed this 18th day of June, 2018

Contractor Weback Electric Corp of FL

by [Signature] (L.S.)

(Corporate seal of Contractor
Title if a corporation)

by _____ (L.S.)

Title

Travelers Casualty and Surety Company of America & Federal Insurance Company

by [Signature] (L.S.)
TITLE OF OFFICER Via Sacramento Attorney In-Fact

Surety

Witness:
XXXXXX: [Signature] (L.S.)
XXXXXXXXXXXXXXXXXX

(Corporate seal of Surety)

APPROVED AS PER CHAPTER:

Deputy County Attorney



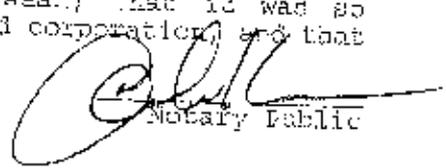
Handwritten text, possibly a signature or a name, located in the lower center of the page.

(Acknowledgment by Contractor if a corporation)

STATE OF New York)

ss.:
COUNTY OF NASSAU)

On this 20th day of June, 2016, before me personally came Joseph P. Flomo, who, being by me duly sworn, did depose and say for himself, that he resides in [redacted] that he is the President of the Welsbach Electric Co. of the corporation described in, and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.


Notary Public

DARLENE KUMMER
Notary Public, State of New York
No. 01KU0096716
Qualified in Suffolk County
Commission Expires August 4, 2019

(Acknowledgment by Contractor if a partnership)

STATE OF _____)

ss.:
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally came _____ to me to be a member of the firm described in and which executed the foregoing bond or obligation, and he acknowledged to me that he subscribed the name of said firm thereto on behalf of said firm for the purpose therein mentioned.

Notary Public

(Acknowledgment by Contractor if an individual.)

STATE OF _____)

ss.:
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally came _____ known and known to me to be the person described in and who executed the foregoing instrument, and he duly acknowledged that he executed the same.

Notary Public

DEPARTMENT OF THE ARMY
HEADQUARTERS
WASHINGTON, D. C.
OFFICE OF THE ADJUTANT GENERAL
ATTENTION: ADJUTANT GENERAL

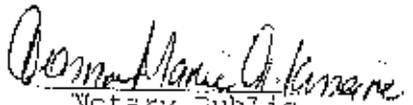
(Acknowledgment by Surety Company)

STATE OF New York)

SS.:
COUNTY OF Nassau)

On this 16th day of June, 2016, before me personally
came Rita Sagisano, known to me
Known, who being by me duly sworn, did depose and say that he resides
in Nassau County, New York

that he is the Attorney-in-Fact of The Travelers Casualty and Surety Company of America & Federal Insurance Company
the corporation described in and which executed the within instrument;
that he knows the seal of said corporation, that the seal affixed to
said instrument is such corporate seal; that it was so affixed by the
order of the Board of Directors of said corporation, and that he signed
his name thereto by like order; and that the liabilities of said company
do not exceed its assets as ascertained in the manner provided by the
laws of the State of New York, and the said Rita Sagisano
further said that he is acquainted with DonnaMarie A. Kissane
and knows him to be the Attorney-in-Fact of said company;
that the signature of the said Rita Sagisano
and was subscribed thereto by like order of the Board of Directors, and
in the presence of him, the said DonnaMarie A. Kissane


Notary Public

DONNAMARIE A KISSANE
Notary Public, State of New York
No. 01KIG297783
Qualified in Nassau County
Commission Expires March 3, 2018

COMMISSIONER OF REVENUE
STATE OF MISSISSIPPI
JACKSON, MISSISSIPPI
OFFICE OF THE COMMISSIONER
OF REVENUE

POWER OF ATTORNEY
FINANCIAL STATEMENT

NO TEXT ON THIS PAGE

TRAVELERS

POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-in Fact No. 229701

Certificate No. 006740785

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Thomas Bean, Rita Sagistano, Gerard S. Macholz, Susan Lupski, Robert T. Pearson, Camille Maitland, George O. Brewster, Collette R. Chisholm, Vincent A. Walsh, Lee Ferrucci, Desiree Cardin, Nelly Reschwich, and Mia Woo-Warner

of the City of Uniondale State of New York, each in their separate capacity if more than one is named above, to sign, execute, seal, and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 21st day of April 2016

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
Robert L. Raney, Senior Vice President

On this the 21st day of April, 2016, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized as to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.



[Signature]
Marie C. Tetreault, Notary Public



Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Thomas Bean, George O. Brewster, Desiree Cardlin, Colette R. Chisholm, Susan Lupski, Gerard S. Macholz, Camille Maitland, Robert T. Pearson, Nelly Renchiwich, Rita Sagistano, Vincent Walsh and Mia Woo-Warren of Uniondale, New York

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bid bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.
In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, have each executed and attested these presents and affixed their corporate seals on this 20th day of July, 2015.

Dawn M. Chloros
Dawn M. Chloros, Assistant Secretary

David B. Norris, Jr.
David B. Norris, Jr., Vice President



STATE OF NEW JERSEY

County of Somerset

On this 20th day of July, 2015 before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereon affixed by authority of the By-Laws of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by the authority; and that she is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No. 2318885
Commission Expires July 16, 2019

Katherine J. Adelaar
Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"Except as otherwise provided in these By-Laws or by law or as otherwise directed by the Board of Directors, the President or any Vice President shall be authorized to execute and deliver, in the name and on behalf of the Corporation, all agreements, bonds, contracts, deeds, mortgages, and other instruments, either for the Corporation's own account or in a fiduciary or other capacity, and the seal of the Corporation, if appropriate, shall be affixed thereto by any of such officers or the Secretary or an Assistant Secretary. The Board of Directors, the President or any Vice President designated by the Board of Directors may authorize any other officer, employee or agent to execute and deliver, in the name and on behalf of the Corporation, agreements, bonds, contracts, deeds, mortgages, and other instruments, either for the Corporation's own account or in a fiduciary or other capacity, and if appropriate, to affix the seal of the Corporation thereto. The grant of such authority by the Board or any such officer may be general or confined to specific instances."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that:

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in the U.S. Virgin Islands and Federal is licensed in Guam, Puerto Rico, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seal of said Companies at Warren, New Jersey, 16th day of June, 2016



Dawn M. Chloros
Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (303) 903-3439 Fax (303) 903-3656 e-mail: surety@chubb.com



ACKNOWLEDGMENT OF SURETY COMPANY

STATE OF New York }
COUNTY OF Nassau } 89

On this June 16, 2016, before me personally came Rita Sagistano
to me known, who, being by me duly sworn, did depose and say: that he/she resides in
Nassau County State of NY, that he/she is the Attorney-in-Fact of the
Federal Insurance Company the corporation described in which executed the
above instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is
such corporate seal; that it was so affixed by the Board of Directors of said corporation; and that he/she signed
his/her name thereto by like order; and the affiant did further depose and say that the Superintendent of
Insurance of the State of New York, has, pursuant to Section 1111 of the Insurance Law of the State of New
York, issued to Federal Insurance Company (Surety) his/her certificate of
qualification evidencing the qualification of said Company and its sufficiency under any law of the State of New
York as surety and guarantor, and the propriety of accepting and approving it as such; and that such certificate
has not been revoked.

Donnamarie A. Kissane
Notary Public

NY acknowledgment

DONNAMARIE A KISSANE
Notary Public, State of New York
No. 01K1829783
Qualified in Nassau County
Commission Expires March 3, 2018



TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
HARTFORD, CT. 06183

ATTORNEY-IN-FACT JUSTIFICATION
PRINCIPAL'S ACKNOWLEDGMENT -- IF A CORPORATION

State of New York, County of _____) ss.

On this _____ day of _____, 20____, before me personally appeared _____ to me known, who, being by me duly sworn, deposes and says: That he/she resides in the City of _____ of _____ the corporation described in and which executed the within instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by order of the Board of Directors of said corporation, and that he/she signed his/her name thereon by like order.

PRINCIPAL'S ACKNOWLEDGMENT -- IF INDIVIDUAL OR FIRM

State of New York, County of _____) ss.

On this _____ day of _____, 20____, before me personally appeared _____ known to be (the individual) (one of the firm) of _____ (the individual) (one of the firm) of _____ described in and who executed the within instrument, and he/she thereupon duly acknowledged to me that he/she executed the same (as the act and deed of said firm).

SURETY COMPANY'S ACKNOWLEDGMENT

State of New York, County of Nassau) ss.

On this 16th day of June, 2016, before me personally appeared Rita Bagis'ano not known, who, being by me duly sworn, did depose and say: That he/she resides in the _____ County of Nassau, NY that he/she is Attorney-in-Fact of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, the corporation described in and which executed the within instrument; that he/she knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal; and that he/she signed said instrument as Attorney-in-Fact by authority of the Board of Directors of said Company; and affiant did further depose and say that the Superintendent of Insurance of the State of New York has, pursuant to Chapter 882 of the Laws of the State of New York for the year 1939, constituting chapter 28 of the Consolidating Laws of the State of New York as the Insurance Law as amended, issued to TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA higher certificate that said Company is qualified to become and to accept as surety or guarantor on all bonds, undertakings, recognizances, guarantees, and other obligations required or permitted by law, and that such certificate has not been revoked.

Donnamarie A. Kissane
 Notary Public

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
 Hartford, Connecticut 06183

FINANCIAL STATEMENT AS OF DECEMBER 31, 2015
 AS FILED WITH THE INSURANCE DEPT. OF THE STATE OF NEW YORK
 CAPITAL STOCK \$ 4,450,000

DONNAMARIE A. KISSANE
 Notary Public, State of New York
 No. 01K/8297783
 Qualified in Nassau County
 Commission Expires March 2, 2018

ASSETS		LIABILITIES & SURPLUS	
CASH AND INVESTED CASH	\$ 4,550,001	UNEARNED PREMIUMS	\$ 602,623,464
BONDS	3,500,572,598	LOSSES	736,775,571
STOCKS	245,907,111	LOSS ADJUSTMENT EXPENSES	278,992,106
INVESTMENT INCOME DUE AND ACCRUED	43,905,720	COMMISSIONS	35,398,814
OTHER INVESTED ASSETS	3,560,978	TAXES, LICENSES AND FEES	11,391,717
PREMIUM BALANCES	300,650,812	OTHER EXPENSES	39,486,967
NET DEFERRED TAX ASSET	55,751,196	CURRENT FEDERAL AND FOREIGN INCOME TAXES	15,163,820
REINSURANCE RECOVERABLE	22,532,860	RENTYFICES AND ITEMS NOT ALLOCATED	4,969,722
SECURITIES LENDING RE-INVESTED COLLATERAL ASSETS	11,722,479	AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	33,958,653
RECEIVABLES FROM PARENT, SUBSIDIARIES AND AFFILIATES	29,895,491	RETROACTIVE REINSURANCE RESERVE ASSUMED	889,144
OTHER ASSETS	5,826,597	POLICYHOLDER DIVIDENDS	9,590,181
		PROVISION FOR REINSURANCE	3,034,304
		ADVANCE PREMIUM	1,572,635
		PAYABLE FOR SECURITIES	8,067,000
		PAYABLE FOR SECURITIES LENDING	11,722,479
		CEDED REINSURANCE NET PREMIUMS PAYABLE	28,035,928
		ESCHEAT LIABILITY	684,927
		OTHER ACCRUED EXPENSES AND LIABILITIES	1,852,530
		TOTAL LIABILITIES	\$ 2,287,307,991
		CAPITAL STOCK	\$ 4,450,000
		PAID IN SURPLUS	423,823,700
		OTHER SURPLUS	1,842,115,026
		TOTAL SURPLUS TO POLICYHOLDERS	\$ 2,104,525,726
TOTAL ASSETS	\$ 4,184,625,769	TOTAL LIABILITIES & SURPLUS	\$ 4,184,625,769

Securities carried at \$7,635,636 in the above statement are deposited with public authorities, as required by law.



FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2015

(in thousands of dollars)

ASSETS	LIABILITIES AND SURPLUS TO POLICYHOLDERS
Cash and Short Term Investments..... \$ 687,517	Outstanding Losses and Loss Expenses..... \$ 12,174,548
United States Government, State and Municipal Bonds..... 9,544,087	Unearned Premiums..... 3,726,685
Other Bonds..... 4,491,258	Dividends Payable to Stockholder..... 1,400,000
Stocks..... 652,907	Cedant Reinsurance Premiums Payable..... 329,697
Other Invested Assets..... 2,187,530	Provision for Reinsurance..... 85,550
	Other Liabilities..... 1,295,593
TOTAL INVESTMENTS..... 17,903,902	TOTAL LIABILITIES..... 18,961,965
 Investments in Affiliates:	
Chubb Investment Holdings, Inc..... 3,679,770	Capital Stock..... 20,980
Pacific Indemnity Company..... 2,930,248	Paid-In Surplus..... 3,105,909
Executive Risk Indemnity Inc..... 1,267,114	Unassigned Funds..... 10,156,916
Chubb Insurance Investment Holdings Ltd... 1,026,650	
CC Canada Holdings Ltd..... 560,955	 SURPLUS TO POLICYHOLDERS..... 13,278,705
Great Northern Insurance Company..... 480,230	
Chubb Insurance Company of Australia Ltd. 404,845	
Vigilant Insurance Company..... 306,232	
Chubb European Investment Holdings SLP... 294,200	
Other Affiliates..... 566,480	
Premiums Receivable..... 1,659,749	
Other Assets..... 1,447,072	
 TOTAL ADMITTED ASSETS..... \$ 32,270,665	TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS..... \$ 32,240,665

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners.
At December 31, 2015, investments with a carrying value of \$946,611,273 were deposited with government authorities as required by law.

State, County & City of New York, — ss:

Dawn M. Chioros, Assistant Secretary

_____ of the Federal Insurance Company being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal Insurance Company on December 31, 2015 is true and correct and is a true abstract of the Annual Statement of said Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2015.

Subscribed and sworn to before me
this March 11, 2016.

Jeanette Shipsey
Notary Public

JEANETTE SHIPSEY
Notary Public, State of New York
No. 025H507442
Qualified in Nassau County
Commission Expires March 10, 2019

Dawn M. Chioros
Assistant Secretary

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CERTIFICATE OF SOLVENCY

NO TEXT ON THIS PAGE

CERTIFICATE OF SOLVENCY UNDER SECTION 1111 OF THE NEW YORK INSURANCE LAW

STATE OF NEW YORK
DEPARTMENT OF FINANCIAL SERVICES

It is hereby certified that

Travelers Casualty and Surety Company of America

Of Hartford, Connecticut

a corporation organized under the laws of the State of Connecticut and duly authorized to transact the business of insurance in this State, is qualified to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law; and that the said corporation is possessed of a capital and surplus including gross paid-in and contributed surplus and unassigned funds (surplus) aggregating the sum of \$2,232,075,875 (Capital \$6,480,000) as is shown by its sworn financial statement for the first quarter ending March 31, 2016 on file in this Department, prior to audit.

The said corporation cannot lawfully expose itself to loss on any one risk or hazard to an amount exceeding 10% of its surplus to policyholders, unless it shall be protected in excess of that amount in the manner provided in Section 4118 of the Insurance Law of this State.



In Witness Whereof, I have
unto set my hand and affixed
official seal of this Department
in the City of Albany, this

18th day of May, 2016.

Maria T. Vullo
Acting Superintendent

By *Jacqueline Cataffamo*
Jacqueline Cataffamo
Special Deputy Superintendent

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CERTIFICATE OF SOLVENCY UNDER SECTION 1111 OF THE NEW YORK INSURANCE LAW

STATE OF NEW YORK
DEPARTMENT OF FINANCIAL SERVICES

It is hereby certified that

FEDERAL INSURANCE COMPANY

Of Indianapolis, Indiana

a corporation organized under the laws of the State of Indiana and duly authorized to transact the business of insurance in this State, is qualified to become surety or guarantor on all bonds, undertakings, recognizances, guaranties and other obligations required or permitted by law; and that the said corporation is possessed of a capital and surplus including gross paid-in and contributed surplus and unassigned funds (surplus) aggregating the sum of \$13,278,704.754 (Capital \$20,980,068) as is shown by its sworn financial statement for the year ending December 31, 2015 on file in this Department, prior to audit.

The said corporation cannot lawfully expose itself to loss on any one risk or hazard to an amount exceeding 10% of its surplus to policyholders, unless it shall be protected in excess of that amount in the manner provided in Section 4118 of the Insurance Law of this State.



In Witness Whereof, I have here-
unto set my hand and affixed
the official seal of this Department
in the City of Albany, this
15th day of April, 2016.

Maria T. Vullo
Acting Superintendent

Jacqueline Catalfamo

Jacqueline Catalfamo
Special Deputy Superintendent



NASSAU COUNTY
DEPARTMENT OF PUBLIC WORKS
TRAFFIC MANAGEMENT CENTER

SIGNAL SYSTEM OPERATIONS

DIVISION 1 - GENERAL

1. PURPOSE

The purpose of this specification is to establish the minimum requirements for the operation of the County's traffic signal control computer and the ancillary equipment located at the Traffic Management Center in the DPW Building, Westbury, New York 11590, together with all field communications units and fiber optic modems located throughout Nassau County, and the certification and conditioning of the interconnect cables.

2. CONTRACTOR EXPERIENCE

The proper operation of the Traffic Management Center traffic signal control system is of a critical public safety nature. Prospective bidders must have at least three years of satisfactory maintenance experience and demonstrate management ability in the actual operation and maintenance of a considerable number of types of complex Traffic Control Equipment and Intelligent Transportation Systems.

The prospective bidders or their sub-contractor must have:

- a) at least three years extensive experience with time division multiplex systems and modems operating at a BAUD rate of 1550 bits per second with a minimum of 15 telemetry units on a single communications channel.
- b) a thorough understanding of the Concurrent M48-080 ULI (Universal Logic Interface), together with actual interface experience at a minimum of three locations.
- c) an extensive knowledge of private and public owned traffic control cable plants.
- d) extensive knowledge and a minimum of three years experience with traffic control equipment, cabinet wiring, and the interfacing of traffic control equipment with telemetry devices.

- e) primary experience maintaining a central traffic signal computer system with a minimum of 350 traffic signals and fifty (50) communications lines.
- f) extensive knowledge and experience with fiber optic cable, modems, connectors, and the maintenance of these items.
- g) extensive knowledge of Ethernet communications as well as layer three internet protocol communications, internet protocol (IP) addressing, spanning tree protocols, Ethernet over copper (first mile) protocols, VLANs, and network security protocols.
- h) contractor must have staff available at all times who are Cisco "Certified".
- i) contractor shall be familiar with the following software and operating systems: Windows Server, Microsoft Office Suite, PC Anywhere, Cisco Software, Ipswitch What's-Up Gold, Siemens Tactics, and Actelis MetaAssist.

The primary Contractor will be permitted to issue subcontracts only for Items 1A, 1G, III, and II of this document, which is the operations / maintenance of the traffic control computer equipment located at the Traffic Management Center, and the repair of units under Item 2. All subcontractors are subject to the approval of the County. All other items of work in this contract must be fulfilled by personnel of the primary Contractor.

It is noted that there are time requirements in this contract for the completion of emergency and maintenance work. It is vitally important that sufficient spare parts are in stock or readily available within 24 hours in order that the Contractor can comply with these time requirements and adequately insure the public safety.

3. AREA OF COVERAGE

The area of coverage for this contract shall include, but not be limited to, all items in this contract under the jurisdiction of the Division of Engineering, Traffic Management.

The County of Nassau reserves the right during the terms of this contract to increase, decrease, or eliminate an item of coverage, and the Contractor is hereby advised that he will receive no additional compensation other than the unit prices as expressed in the contract for such addition or deletion (see Appendix IV).

4. WORK INCLUDED

The work includes the furnishing of all transportation, labor, materials, signs, equipment, parts, tools, and appurtenances required to perform the work in accordance with this specification.

5. DEFINITIONS

The following definitions are in addition to the definitions as described in Article 1 of the Agreement.

a) Commissioner

The Commissioner of Public Works, County of Nassau or a representative of the Office of the Commissioner of Public Works, County of Nassau.

b) Communications Line

Any copper or fiber optic line used to transmit and receive data for a given control zone, including all spares and voice lines associated with the control zone.

c) Computer and Ancillary Equipment

Electronic devices used to supervise the split, offset, and cycle length of traffic signal controllers in systems. The computer and ancillary equipment are located at the Traffic Management Center, Department of Public Works, Division of Engineering, Traffic Management, 1194 Prospect Avenue, Westbury, New York 11590.

d) Controller

The mechanism used to time and control the indications of traffic signals; including the cabinet, terminals, wiring, switches, cabinet relays, auxiliary equipment, and all other parts, except time clocks, detectors, amplifiers, and special timing units.

e) Department

Department of Public Works, Nassau County.

f) Deputy Commissioner

Deputy Commissioner of the Department of Public Works, Division of Engineering.

g) Destination Time Signs

Equipment used to determine travel times along roadways, and then displays the average time to a particular destination. When Destination Time Signs are mentioned in this document, it refers to all related equipment including tag readers.

h) Direct Labor Cost

(As applied to Division 2, Section III, Time and Material) shall be the current New York State prevailing base labor rate schedule for an electronic technician in the

Nassau County area as verified by the New York State Department of Labor plus sixty percent (60%) supplement. This 60% supplement shall cover all fixed, variable, and other direct labor costs of the Contractor. The above 60% supplement shall not change for the duration of this contract. Any changes to the base labor rate during the duration of this contract, shall be verified by the New York State Department of Labor before payment can be made. Supplement percentages for the Subcontractor's personnel will be computed and verified by the Department.

i) Division

Division of Engineering, Department of Public Works, Nassau County

j) Electrically-Operated Traffic Control Devices

All traffic control signals, pedestrian control signals, floodlights, and all other illuminated devices whose maintenance is the responsibility of the Department of Public Works.

k) Fiber Optic Enclosures

Any unit specifically designed and utilized for housing fiber optic splices, whether located at Central or in the field. Fiber optic distribution cabinets and fiber optic splice cases are included in this category.

l) Fiber Optic Modem

A device used as an interface between an electrical signal and a light signal. These units are located at Central and in cabinets in the field.

m) Fiber Optic Splice

A device used to connect one fiber to another permanently. This connection couples light from one component to another with as little loss of optical power as possible, by the precise alignment of the mated fiber core so that nearly all the light is coupled from one fiber across the junction into the other fiber.

n) Field Communication Unit

An electronic device used to receive and transmit messages between the computer and ancillary equipment, and the local traffic signal controller. This unit may be located within the confines of the traffic signal controller cabinet. This unit may be digital (Ethernet) or analog (telemetry).

o) Hourly Rates

(As applied to Division 2, Section III, Time and Material) shall indicate the current

direct labor cost for those personnel that modify, construct, remove or install traffic control devices.

p) Incident Management Equipment

Closed circuit television camera systems that are used to monitor vehicular movement along roadways within the County. The incident management system is made up of field cameras, digital encoders, decoders, hardware and control equipment.

q) Maintain, Maintaining, Maintenance

These terms shall include in addition to other work specified, the following:

- (i) the monthly inspection of all equipment under the "Routine Maintenance and Inspection Program."
- (ii) the repair or replacement of any defective or worn-out control device, electrical, electronic, mechanical, or electro/mechanical component or part.

r) Material

(As applied to Division 2, Section III, Time and Material) are those physical components and equipment that are furnished and/or installed. The cost of these materials shall be the net cost to the Contractor, including all discounts. Proof of material and equipment costs shall be submitted to the Engineer for approval prior to payment.

s) Miscellaneous Devices

Devices not included in other categories.

t) Overhead

(As applied to Division 2, Section III, Time and Material) shall include the following expenses of the Contractor and Subcontractor, and shall be deemed to include all other costs other than direct labor cost, material, and profit percentages:

- (i) all transportation costs, including vehicles, rental charges, fuel, repair, and incidentals, except Subcontractors' transportation costs and rental charges
- (ii) all other equipment except Subcontractors' equipment
- (iii) office personnel
- (iv) supervision, including transportation

- (v) insurance
- (vi) office expenses; including light, heat, power, rent, and office equipment
- (vii) communications equipment, including phones, internet and TV.
- (viii) travel time; direct labor cost to and from job site

u) Overtime

Overtime paid by the Contractor on emergency time and material work, as ordered by the Division, will be computed for the total labor cost actually paid by the Contractor, and shall be listed separately from other time costs. All overtime shall be verified by the Division.

v) Project Manager

County employee assigned to oversee the operation and administration of this contract.

w) Routine Maintenance

Work items that shall be performed regularly to insure that equipment will continue to operate efficiently and safely.

x) Sensor Station

The location of devices used to measure the volume, speed, and time occupancy of traffic in a particular lane or lanes. When located away from a signalized intersection, the cabinet will contain the appropriate number of amplifiers for the sensors. The cabinet may also contain terminations of the interconnect cable and field communications units.

y) Subcontractor

Any individual, firm, or corporation to whom the Contractor, with the written consent of the Department, sublets any part of the contract.

z) Traffic Signal System Contractor

The individual firm or corporation undertaking the execution of the work under the terms of this contract and acting directly or through his, their, or its agents, and employees. This traffic signal system Contractor must be aware that he will be working closely and in cooperation with any Traffic Signal Maintenance Contractor to insure the proper functioning of the signals controlled

by the traffic computer.

aa) Traffic Management Center (TMC)

Located in the DPW Building, 1194 Prospect Avenue, Westbury, New York 11590. The traffic control computers and all ancillary equipment including a display wall are located there. All commands, instructions, and reports generated to operate the system are originated from the Traffic Management Center.

bb) Traffic Signal Shop

Located at 1194 Prospect Ave, Westbury New York, 11590. This center is responsible for the operation and maintenance of all County-owned traffic signal installations, and miscellaneous devices operating within Nassau County not covered under this contract.

cc) Traffic Signal Maintenance Contractor

The electrical contractor duly authorized by the County of Nassau to maintain all County-owned traffic signal installations, and miscellaneous devices operating within Nassau County, in accordance with the currently valid contract.

dc) Unscheduled Maintenance

Emergency repairs, which occur as the result of equipment failure or damage, shall include all work required to restore the system or other equipment under the jurisdiction of the Traffic Engineering Unit to its original normal operating condition. All necessary work under this definition will be paid under Section III, Time and Material.

ec) Variable Message Signs

Variable message signs are electronic messages signs mounted over or at the side of the roadway to communicate messages to motorists. These signs are controlled from the Traffic Management Center.

6. APPARENT OMISSIONS

The apparent silence of these specifications as to any detail or the apparent omission from them of a detailed plan concerning any work to be done and materials to be furnished, shall be regarded as meaning that only the best workmanship and material shall be used. Work not specified, but involved in the proper execution of the work, is required and shall be performed by the Contractor as though it were specifically delineated or described. Interpretation of these specifications shall be made upon that basis. All schedules, directives, and conditions are subject to change by the direction of the Commissioner.

7. NUMBER OF UNITS

The number of units shown in the bid schedule is an estimate of the number expected to be in service on the effective date of the contract. The actual number of units in the service at that time may vary from the estimate.

8. COMMUNICATIONS SERVICE

The Contractor's communication center shall receive and record all calls for service or repair originating from the public and forward all calls for service or repair to the Traffic Management Center for action.

9. CHARGING THE CONTRACTOR FOR WORK PERFORMED BY OTHERS

When the Contractor fails to perform on time in response to calls, this work will be subject to being accomplished by other than the successful bidder of this contract, as so ordered by the Commissioner. All direct and indirect costs and expenses related thereto will be paid by the Contractor, in accordance with the Agreement.

10. EQUIPMENT

During the course of the contract, equipment shall be furnished to the Traffic Management Center for use by Nassau County personnel in the administration of this contract. A list of said equipment will be provided with model numbers/specifications that will be provided to Traffic Management staff within twenty (20) days of the request.

It is expressly understood and agreed that the foregoing bid is the basis for establishing the amount of the bid security on this proposal and includes the following allowance:

\$100,000 for the purchase of computer hardware, computer equipment, software, tools, communication equipment, office equipment, field equipment, apparel and any other incidentals or purchases that may be required as authorized by the project manager. Payments to the Contractor will be strictly on the basis of manufacturer's or supplier's invoices including shipping. Sales tax will not be reimbursed. If the cost of the equipment exceeds the \$100,000 allowance, the Contractor will be paid the increase amount based on invoices. The equipment shall be delivered within twenty (20) calendar days after the request is made.

11. REQUIRED EQUIPMENT

a) The Contractor shall provide for each of its full time field maintenance employees assigned to this contract the following equipment for the duration of the contract:

- One (1) Cellular telephone (smartphone)
- One (1) Operations Laptop with mobile charger, wireless LAN communications, and carry case. Laptop computer shall be equal or

greater than Dell Latitude 14 E7450, HP ZBook 14 G2 or approved equivalent including Windows OS and MS Office Professional

b) The Contractor shall provide the following equipment for use by Nassau County Traffic Management Staff for the duration of the contract:

- Three (3) Cellular 4G telephones (smartphones)
- Two (2) 4G Mobile Hotspots
- One (1) 4G USB Cellular Modem
- One (1) 12 Volt Wireless 4G Ethernet Gateway with Service, mobile antennas, cabling and vehicle mount.
- Two (2) Internet Modems from two (2) separate internet service providers each with ten (10) Static IP addresses and each having a minimum of 110 MBPS download / 110 MBPS upload speeds.
- Six (6) HDTV Receivers – from two (2) separate television service providers with mid-level service plans.
- Two (2) TMC Operations Desktop Computers that shall be equal to or greater than Dell Optiplex 9020 SFF, HP ProDesk 600 G1, or approved equivalent. Each with (2) two 24 Inch flat screen monitors, Wireless mouse & keyboard, Windows OS and MS Office Professional.
- One (1) Portable Generator - Honda EU7000iS, Yamaha EF6300iSDE, or approved equivalent. Provided with cover and battery tender.
- One (1) Operations Portable Radio Repeater - Motorola CDR700, Kenwood TKR-750, or approved equivalent. UHF 450-520 Mhz repeater with program software, cables, controller and duplexer.

12. PARTS - CONTRACTOR

For the purpose of repair and maintenance, the Contractor shall furnish all parts as required for use in the operation of the electronic control devices, including complete units or parts, necessary to comply with the terms of this contract. The County of Nassau will not be responsible for furnishing any parts under this contract, except as stated under 21 - SPARE EQUIPMENT - NASSAU COUNTY".

All replacement parts or components shall be new and equal to the original part or component replaced. If the Contractor replaces a defective component or part with anything but the same manufacturer's make, model, quality, etc., he shall first receive permission in writing from the Division. Prior to the start of the project, the contractor shall have in their inventory the equipment listed in Division 2, Appendix V. The inventory equipment listed in Division 2, Appendix V must be maintained for the duration of the contract.

13. CONTRACTOR'S COMMUNICATIONS AND OPERATIONS CENTER

The Contractor shall maintain an Operations Center within the County of Nassau. The center shall include office facilities, complete shop facilities, and storage area to perform the required work under this specification.

required work under this specification.

Upon issuance of the Commence Work Order, the Contractor's Operations Center shall be fully equipped with complete shop facilities, including test equipment for the repair of various types of electronic control equipment.

14. SHOP FACILITY

The Contractor shall have on hand a complete stock of electronic control equipment within the Nassau County limits. This equipment shall be sufficient to insure strict compliance with the requirements of this specification.

The shop facility shall include, in addition to other equipment, the following minimum equipment:

- a) A device that emulates the central communication commands with a self contained modem, and provides detector simulation, phase return inputs, and a solid state controller interface. This device attaches to a telemetry unit and exercises the communications, inputs, and outputs.
- b) Oscilloscope
- c) Analog Voltmeter or equivalent.
- d) VOM with audible continuity.
- e) One portable Oscilloscope with Dual Channel.
- f) Logic State Analyzer
- g) Fiber optic splicing equipment (stripper, cleaver, splicer, connectors, etc.).
- h) Optical Time Deflection Reflectometer (OTDR) for testing fiber optic cable.
- i) Fiber Optic laser test light - to easily identify breaks in fiber cable.
- j) Network test set that will test and identify all 8 pairs of Cat 5 or Cat 6 cable

The above equipment shall be functionally operational and tested. The shop facilities shall be available at all times during the business day for inspection by the Department.

15. CONTRACTOR'S PERSONNEL

The Contractor shall maintain a sufficient staff of trained maintenance, modification, field, and bench emergency repair personnel. The maintenance personnel assigned by the Contractor shall be Journeymen Maintenance Electricians, each with a minimum of five

years experience in each of the following: in-field troubleshooting, repairs of electrical/electronic traffic signal equipment, telemetry maintenance and operation, Ethernet communications maintenance and operation, and communications cable diagnostics.

At the start of this contract all field maintenance personnel assigned to this contract, shall be certified by the International Municipal Signal Association, Inc. as "Traffic Signal Technician - Level I". In addition, at the start of this contract, the primary maintenance personnel shall be certified as "Traffic Signal Technician - Level II" and "Traffic Signal Electrician - Level II". The certification exams shall be obtained through the I.M.S.A. The Contractor is responsible for any and all fees necessary for the required applications and examinations. The I.M.S.A. shall administer the certification exams. The Contractor shall furnish photocopies of all Certification Documents to the Engineer. Primary maintenance personnel must also have a valid Cisco CCENT certification for the duration of the contract.

The Contractor shall assign two (2) people permanently (primary maintenance personnel) to this contract with qualifications as described above that will work Monday to Friday excluding holidays. The Contractor shall assign at least one (1) additional person, with the same qualifications, to this contract, when any of the following system conditions exist:

- a) any three or more noncontiguous communications zones are down (failed).
- b) any twenty (20) or more intersections in noncontiguous zones are down (failed).
- c) any other conditions deemed an emergency by the County Project Manager.
- d) if either of the two (2) permanent personnel are absent. (sick / vacation)

Failure to furnish personnel in a timely manner shall result in a penalty of 1/10th of Items 1A/1B and 2A/2B monthly bid price for each day delay in meeting this requirement.

In addition to the two (2) permanent personnel indicated above, the contractor shall supply one (1) full time (Monday to Friday) apprentice that participates in an approved apprenticeship program.

Work hours: Staff assigned to this contract shall work split shifts in order to cover a twelve (12) hour work day (7 AM to 7 PM). The morning shift shall consist of 7 AM to 4 PM including a 1 hour meal break and the afternoon shift shall consist of 10 AM to 7 PM including a 1 hour meal break.

Personnel shall have sufficiently equipped vehicles assigned to them for exclusive use on this contract. One vehicle shall be equipped with an interior equipment storage shelving system and an aerial bucket with sufficient height to service communications cable, aerial termination boxes (ATB), overhead message signs and traffic surveillance cameras located throughout the system. The second vehicle, a commercial van or cargo style vehicle shall be equipped with an interior equipment storage shelving system, four wheel drive and a class III towing hitch. Both vehicles will be equipped with a minimum of 2,000 watt 12 volt DC to

110 volt AC power inverter, and both vehicles shall have less than 30,000 miles at the commencement of the contract. The apprentice will not be assigned a vehicle, however a vehicle with a class III towing hitch must be available for the apprentice's use in the event it is needed.

Additionally, the Contractor shall assign a Project Manager for supervision, with a minimum of three years experience in the management of traffic signal and traffic computer maintenance. This position is full-time and shall be on duty in the County of Nassau only. The Contractor shall provide adequate supervision, competent in directing the necessary personnel and the required work. Supervisory personnel shall have the authority to act for the Contractor. The names, telephone numbers, and technical experience of these employees shall be submitted to the Project Manager within ten (10) days of the commence work date.

16. DAILY WORK REPORT

The Contractor shall be required to keep a neat, accurate, and up-to-date record of the types and locations of all equipment within the scope of this contract. These records shall be in a format approved by the Division, and shall include, but not be limited to the following:

- a) location and number of intersections controlled by electrically operated field communication devices.
- b) type and amount of field communication equipment at each intersection, and method of operation.
- c) time, date, and details of repairs, replacement, cleaning, etc. by intersection.
- d) timing, offset, and program information by intersection and section.
- e) complete maintenance history of all equipment in this contract by serial number and intersection.

Daily work reports, provided by the County Project Manager, must be completed and delivered to the Traffic Management Center weekly for record keeping and verification of work completed. All records shall become the property of the County of Nassau

17. WORK ORDERS

All calls for service shall be recorded on the daily work report. These work orders shall be in a format approved by the Project Manager, and shall include, but not be limited to the following:

- a) location
- b) device number

- d) date and time Contractor was notified of work
- e) person making notification or authorizing work
- f) date and time Contractor arrived at scene
- g) date and time repair was completed
- h) type of malfunction and/or damage found
- i) repair of malfunction and/or damage and how it was serviced, etc.
- j) serviceman's name

Nassau shall issue consecutive numbered work orders. Delinquent work orders shall not be permitted. After ten days, delinquent work orders shall be deemed just cause to delay any claim for payment until the delinquent work order is complete and forwarded to County.

18. INTERSECTION RECORD CARD

The Traffic Signal Maintenance Contractor (separate contract) maintains the 5" x 8" intersection record card. This record shall remain at the intersection controller cabinet. Under the terms of this contract, the record card shall be kept up to date by indicating the date any device was installed, the date removed for maintenance (scheduled or unscheduled), the work performed at the intersection, and the date reinstalled. A separate record card will also be used for Camera, VMS and Communications HUB cabinets.

19. REPORTS

All work performed in accordance with the terms of this specification shall be tabulated and reported in conjunction with the monthly claim in a form agreeable to the Commissioner.

20. SPARE EQUIPMENT - NASSAU COUNTY

Nassau County will furnish the following spare traffic computer equipment:

- a) 10 field communications telemetry units
- b) 2 handheld program units
- c) 6 Actelis Ethernet field communications units
- d) 4 Cisco 8 port Ethernet field switches
- e) 2 Cisco 24 port Ethernet field switches
- f) 5 Cisco and 5 Coretek optional SFP modules

The Contractor shall maintain the above spare equipment. Upon completion of this contract, the above County-owned equipment shall be returned to the County within fourteen (14) calendar days. This equipment shall be checked out and be certified in working order to the County. Failure to return this equipment in a timely manner and in satisfactory working order shall result in delay of payment of the final claim.

The Contractor shall remove, transport, and return the field communications units to the field locations at no addition cost to Nassau County.

21. WIRING DIAGRAMS

All wiring diagrams pertaining to County-owned equipment, originating either with the equipment manufacturer or the Contractor, are the property of the County and shall be forwarded to the Project Manager at the conclusion of this contract.

22. CLEANLINESS

Upon completion of the work at each location, the Contractor shall remove all remaining material and shall leave the area, which may have been affected by this operation in a neat and orderly condition.

23. COOPERATION

A certain amount of County-owned equipment covered by this specification is installed on poles owned by utility companies. The Contractor shall respect the rights of, and cooperate as fully as possible with these utility companies, other contractors, and all County departments.

24. STANDARDS

New York State Department of Transportation Traffic Signal Standard Specifications including Region 10 special specifications are made a part of this contract.

25. RECOURSE

This contract does not imply that the approved Contractor, following the award of this contract, has the exclusive right or legal recourse to the County for any other similar computer control type contract, or any other traffic signal contract, which includes the computer installation and maintenance work that may be awarded during the life of this contract.

26. VANDALISM

The Contractor at no additional expense to the County shall repair all damage caused by vandalism to equipment maintained under this contract. Payment for vandalism shall be distributed over the items of this contract and included in the bid.

27. SAFETY

The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. The Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury, or loss to:

- a) all employees on the work site and all other persons who may be affected thereby.
- b) all the work and all materials and equipment to be incorporated therein, whether in storage on or off the job site, under the care, custody, or control of the Contractor, or any of his Subcontractors or Sub-subcontractors.
- c) other property at the job site or adjacent thereto, including roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

The Contractor shall comply with all applicable laws, ordinances, rules, regulations, and orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss. The Contractor shall erect and maintain, as required by existing conditions and progress of the work, and or as ordered by the Engineer, all reasonable safeguards for safety and protection, including posting warning signs and other warnings against hazards, in accordance with the New York State Manual of Uniform Traffic Control Devices, promulgating safety regulations and notifying owners and users of adjacent utilities.

When the use or storage of hazardous material or equipment is necessary for the execution of the work, the Contractor shall exercise the utmost care and shall carry on such activities under the supervision of properly qualified personnel.

All damage or loss to any property caused in whole or in part by the Contractor, any subcontractor, any sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, shall be remedied by the Contractor.

The Contractor shall designate a responsible member of his organization, under the contract, whose duty shall be the prevention of accidents. This person shall be the Contractor's Project Manager, unless otherwise designated in writing by the Contractor to the County.

28. OPERATIONAL UNITS

On the last County working day of the calendar month, one hundred (100%) percent of the field communications units, whether or not they are connected to the central computer, must be operational. If not, this will be justification for delaying payment of the monthly claims until this requirement is met. An operational unit is defined as a field communications unit that is ready and capable of performing all required functions.

29. AERIAL CABLE

The Contractor shall make an annual inspection of all aerial cable. The first inspection shall occur within six (6) months of the commence work date. All reports of such inspections shall be forwarded to the Traffic Management Center with the next monthly claim. Inspection shall include the checking of all connections at all aerial termination boxes

(ATB), checking the integrity of all "in-line" splices, checking the jacket for crazing, splitting, checking, or any other damage. Any tree branches found to be interfering with or affecting the cable shall be removed. The removal of any tree branches shall be considered routine maintenance and shall be completely at the expense of the Contractor.

30. POLE TRANSFERS

All pole transfers whether scheduled or unscheduled will be completed as soon as practical after notification by the Project Manager. No additional payments shall be made for pole transfers if they are completed utilizing either of the personnel assigned to this contract during normal business hours.

31. EQUIPMENT TOWING

As requested by the project manager, contractor vehicles may be requested and utilized to tow field equipment such as portable traffic equipment and cargo trailers.

32. STORM RESPONSE

During the planning stages for an impending storm, the contractor's personnel assigned to this contract will be placed on standby, to maintain a state of readiness in order facilitate a quick response to incidents immediately following the storm. If needed, additional personnel with 4 x 4 vehicles may also be requested to be placed on standby.

32. TRAFFIC SIGNAL BACKUP POWER

At any given time, the contractor must maintain one electrician available to respond with the Traffic Management Emergency Response team. This team will respond to traffic signal power outages and connect back-up generators to restore signal operation.

33. FUNDING

The total value of this contract shall be equal to the amount appropriated in the 2016-2018 approved budget, together with those amounts which shall be appropriated in the approved budgets for the succeeding years, together with any additional appropriation which may be made during the term of this contract for the purpose of this contract.

34. LENGTH OF CONTRACT

The contract term shall be for thirty six (36) months, except as provided for under the paragraph entitled Special Provisions and Conditions, Division 2 page 12.

**NASSAU COUNTY
DEPARTMENT OF PUBLIC WORKS
TRAFFIC MANAGEMENT CENTER**

COMPUTER AND FIELD COMMUNICATIONS

DIVISION 2 - DETAIL OF ITEMS

SECTION I

Operations and maintenance of all items shall be paid for on the basis of a unit cost per month, multiplied by the number of months of the contract duration to determine the cost of these items.

SECTION II - ITEMS INCLUDED

ITEM 1A - Computer Equipment

The work is comprised of the operations, repair and maintenance of the Legacy traffic control computer and ancillary equipment under the Concurrent product line as well as the New Traffic Management servers under the Deil product line, the Hewlett-Packard video wall servers and ancillary equipment, and various servers and communications equipment related to the Incident Management and Travel Time Signs systems. The contractor will also be responsible to repair/maintain various Cisco equipment including Ethernet switches, as well as copper and fiber optic patch panels.

Contractor shall provide a service/support/maintenance contract with the Activu Corporation for the 10 Mitsubishi video cubes and associated equipment and servers listed in appendix 1. The Activu contract must include, but is not limited to an annual re-lamping, two (2) annual maintenance site visits and technical support. Contractor shall provide a service/support/maintenance contract with Teseste for the traffic surveillance video management system, associated equipment and servers listed in appendix 1.

The above referenced equipment is located in the Traffic Management Center, 1194 Prospect Avenue, Westbury, New York 11590 (see Appendix D).

Contractor shall provide a 36 month information service contract with "Schneider Electric" for their MxVision Weather Sentry software. And a 36 month "Breaking News Network" contract for access to their Desktop News Client and Mobile Device Application.

Any call for maintenance under this Item shall be responded to between the hours of 8 a.m. and 5 p.m., Monday through Friday, excluding holidays. The call will be serviced within two (2) hours on the same day the call is placed. If the call is placed after 3 p.m., it shall be responded to by 8 a.m. the next work day.

ITEM 1B - Ancillary Equipment

Included in Item 1B is the operations, repair and maintenance of all other equipment ancillary to the computer system, including, but not limited to Concurrent, Dell, Cisco, Etherway and Hewlett Packard product line located in the Traffic Management Center, DPW Building, 1194 Prospect Avenue, Westbury, New York 11590 (see Appendix II), as well as, in field locations (see Appendix III). This equipment shall be maintained under the same requirements established under Item 1A - Computer Equipment. If the equipment under this item is changed, added to, or modified during the course of the contract, the bid price for this item will be adjusted to reflect the change.

All equipment in Items 1A and 1B shall be subjected to a monthly preventive maintenance regimen in order to ensure maximum systems availability. Preventive maintenance shall cover each element of this system with a specific, detailed checklist designed to identify marginal system components so that corrective actions can be taken prior to a failure.

Particular emphasis should be placed upon the repair and return to service of both the central and field modems. The Contractor shall maintain a minimum of six (6) operational 1550 BAUD modems, six (6) operational Actelis Ethernet switches, and six (6) operational Cisco 8 port 2960 Ethernet switches as spares. In addition, the contractor shall maintain an inventory of multiple types of 100Base and 1000Base SFP modules with LC connectors.

Payment for these items shall be inclusive of Item 1A and 1B described. The basis for payment shall be unit cost per month.

ITEM 2A - Field Communications

The work is comprised of the operations, repair, maintenance and operations of field communications units including all internal components and attaching cables to the point of attachment on the terminal strip within the cabinet. Communications units and attaching cables are subject to routine inspection every sixty (60) days and reported on the daily work order form. All "standby" data found in the telemetry units shall be checked and adjusted to meet current timing schedules. Maintenance under this item shall also include the checking of all system sensors to verify communication with the associated signal cabinet. Any sensor loop or amplifier that is found to be malfunctioning shall be reported to the Traffic Management Center for forwarding through Signal Operations at 1194 Prospect Avenue, Westbury to the current Traffic Signal Maintenance Contractor (separate contractor).

- Field telemetry units are usually located at signalized intersections in either pole-mounted or ground-mounted cabinets. These cabinets contain, in addition to the field telemetry units, other equipment used in the timing and controlling of traffic signals. The Contractor shall only be responsible for maintenance and operation of the Field telemetry units and its associated cables.

- Ethernet communications units are usually located at signalized intersections, camera cabinets, VMS cabinets and communications I/O cabinets either pole-mounted or ground-mounted. These cabinets contain, in addition to the field telemetry units, other equipment used in the timing and controlling of traffic signals. In traffic signal cabinets, the Contractor shall only be responsible for maintenance and operation of the Ethernet communications units and its associated cables.

The Contractor shall be available between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, excluding all legal Nassau County holidays. These hours of operation may be changed during the life of the contract at the direction of the County. As the beginning of the contract, the contractor shall submit a list of paid holidays to the County project manager for approval.

The Contractor shall respond only to work orders and directives issued from the Traffic Management Center. Response to work orders shall be as follows:

- a) all work orders transmitted to the Contractor between the hours of 7 a.m. and 7 p.m. on a normal business day shall require the Contractor to respond to the intersection or intersections within two (2) hours.
- b) all work orders transmitted to the Contractor at times other than those specified in Paragraph (a) above, shall require the Contractor to respond to the intersection or intersections on a priority established by the Traffic Control Center as follows: Work orders received prior to 7 a.m. shall require the Contractor to respond by 9 a.m. the same day; Work orders received after 7 p.m. shall require the Contractor to respond commencing no later than 7:00 a.m. the next business day following the transmittal.

All field communications units that have failed or are removed from the field for repairs shall be repaired or replaced within five (5) calendar days.

When a field communications unit is removed from the field location for repairs, the Contractor shall replace the defective unit with a working spare from the contractor's stock or furnished by the County.

All units repaired and returned to service shall operate a minimum of twenty-four (24) hours to fulfill the requirement of a completed repair. If a repaired and returned to service unit fails within twenty-four (24) hours it shall be considered as non-operational and not repaired for the purposes of billing.

Thunderstorms, lightning damage, etc. shall not be justification for failure to fulfill the obligations as specified in the contract.

Maintenance under this item shall also include the synchronization of all communications units not connected to the Traffic Management Center, 2070 controllers (see Appendix V)

that have replaced pre-existing controllers, and telemetry units within system control zones in order to maintain system progressions, as well as any other device that the Engineer deems necessary. All communications units operating in standby mode, and all 2070 controllers with no communications shall be checked and resynchronized on a weekly schedule or as ordered by the Project Manager.

In addition, during the course of this contract, it is anticipated that existing field equipment (controller, field communications unit, etc.) that are located at some signalized locations will be replaced under separate contracts with 2070 controllers in order to provide future interconnection with the proposed Central Traffic Computer. The proposed Central Traffic Computer will eventually replace the existing Micro-3 (Legacy) Central Traffic Computer.

Existing timing schedules for the traffic signal controllers at all Nassau County signalized intersections covered under this contract will remain in force and shall be maintained with the 2070 controller, unless modified timings are ordered by the Project Manager.

This item shall maintain all Intelligent Transportation Systems installed in the signal cabinets, auxiliary cabinets or communications IICB cabinets. This equipment includes but is not limited to; system sensor detection loops and amplifiers, blue tooth reader equipment, wi-fi reader equipment, road weather information systems equipment and battery back-up devices.

Maintenance under this item shall include the furnishing and replacement of non-functioning varistors, lightning protection, and line conditioning equipment in place prior to this contract or installed during its life. The Contractor shall be responsible for maintaining lightning protection on all copper communications lines both at Central and field locations covered in this contract.

The fiber optic splice cases associated with the computerized signal system shall be maintained under this item. The work is comprised of the maintenance of the fiber optic splice case (including case resealing), splice trays, copper terminations, associated attaching cables, and related hardware.

The operational inventory for the purposes of billing shall be determined as the number of intersections equipped with operational communications units, whether or not they are connected to the Central Computer, for the entire billing month.

Any intersections without an operational communications unit at any time during a given month shall have its monthly maintenance bid price (Item 2A) deducted from the operational inventory for that month.

Payment for this item shall be all inclusive of Item 2A described. The basis for payment shall be a unit cost per month for each telemetry unit in operation under the jurisdiction of this Division.

ITEM 2B - Field Ethernet Switches

The work is comprised of the operations, repair and maintenance of Ethernet Switches (both local signal and hub locations) including all internal components and associated cables to the patch panel within the cabinet. Ethernet Switches and associated cables are subject to routine inspection every sixty (60) days and reported on the daily work order form. Maintenance under this item shall also include the checking of all system sensors to verify communication with the associated 2070 Controller. Any sensor loop or amplifier that is found to be malfunctioning shall be reported to the Traffic Management Center for forwarding to the Signal Shop for repair.

The Ethernet Switches are usually located at signalized intersections in either pole-mounted or base-mounted cabinets. These cabinets contain, in addition to the Ethernet Switch, other equipment used in the timing and controlling of traffic signals. The Contractor shall only be responsible for the Ethernet Switches, Transceivers, Media Converters, SFP modules, and their associated copper or fiber cables and is not permitted to make any adjustments or repairs to the other equipment in the cabinet.

The Contractor shall be available between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, excluding all legal Nassau County holidays. These hours of operation may be changed during the life of the contract at the direction of the County.

The Contractor shall respond only to work orders and directives issued from the Traffic Management Center. Response to work orders shall be as follows:

- a) all work orders transmitted to the Contractor between the hours of 7 a.m. and 5 p.m. on a normal business day shall require the Contractor to respond to the intersection or intersections within two (2) hours.
- b) all work orders transmitted to the Contractor at times other than those specified in Paragraph (a) above, shall require the Contractor to respond to the intersection or intersections on a priority established by the Traffic Management Center as follows: Work orders received prior to 7 a.m. shall require the Contractor to respond by 9 a.m. the same day; Work orders received after 7 p.m. shall require the Contractor to respond commencing no later than 7:00 a.m. the next business day following the transmittal.

All Ethernet Switches that have failed or are removed from the field for repairs shall be repaired or replaced within five (5) calendar days.

When an Ethernet Switch is removed from the field location for repairs, the Contractor shall replace the defective unit with a working spare from the stock furnished by the County.

All units repaired and returned to service shall operate a minimum of twenty-four (24) hours to fulfill the requirement of a completed repair. If a repaired and returned to service unit fails

within twenty-four (24) hours it shall be considered as non-operational and not repaired for the purposes of billing. An operational unit is one that satisfies all requirements of the respective Specification for the particular Ethernet Switch, Transceiver, or SFP module.

Thunderstorms, lightning damage, etc. shall not be justification for failure to fulfill the obligations as specified in the contract.

Maintenance under this item shall also include the synchronization of all traffic signals not connected to the Traffic Management Center Server (Closed Loop Systems). All units operating remotely with no communication back to the Traffic Management Center shall be checked and resynchronized on a weekly schedule or as ordered by the project manager.

Existing timing schedules for the traffic signal controllers at all Nassau County signalized intersections covered under this contract will remain in force and shall be maintained with the 2070 controller, unless modified timings are ordered by the Engineer.

This item shall maintain all Intelligent Transportation Systems installed in the signal cabinets, auxiliary cabinets or communications HUB cabinets. This equipment includes but is not limited to; system sensor detection loops and amplifiers, blue tooth reader equipment, wi-fi reader equipment, road weather information systems equipment and battery back-up devices.

Maintenance under this item shall include the furnishing and replacement of non-functioning varistors, lightning protection, and line conditioning equipment in place prior to this contract or installed during its life. The Contractor shall be responsible for maintaining lightning protection on all copper communications lines both at Central and field locations covered in this contract.

The fiber optic splice cases associated with the computerized signal system shall be maintained under this item. The work is comprised of the maintenance of the fiber optic splice case (including case resealing), splice trays, copper terminations, associated attaching cables, and related hardware.

The operational inventory for the purposes of billing shall be determined as the number of intersections equipped with operational Ethernet Switches, whether or not they are connected to the Traffic Management Center, for the entire billing month.

Any intersections without an operational Ethernet Switch at any time during a given month shall have its monthly maintenance bid price (Item 2) deducted from the operational inventory for that month.

Payment for this item shall be all inclusive of Item 2A described. The basis for payment shall be a unit cost per month for each Ethernet Switch in operation under the jurisdiction of this Division.

Work that consists of correcting data transmission problems, which may arise on the existing, copper

or fiber cable plant during the course of the contract is included as part of section 2A/2B. When elevated signal to noise ratios or other interferences to data transmissions occur, the Contractor shall remove or reduce this interference, by replacing existing devices that have deteriorated or by installing devices such as inductors, capacitors, Line amplifiers, etc. or by cleaning and applying a protective coat to cable terminations located in controller, termination, or splice cabinets. The work also consists of correcting optical transmission problems which may arise on the existing fiber optic cable plant during the course of the contract. When elevated line loss conditions occur, the Contractor shall develop an Optical Time Domain Reflectometer (OTDR) trace to identify the problem area. The Contractor shall reduce the line loss by re-splicing existing splice locations, and/or adding, removing, or changing fiber optic signal attenuators, as necessary or as ordered by the Engineer. Payment for this work is included as part of section 2A/2B. Any fiber optic signal attenuators removed shall be returned to the Traffic Management Center.

ITEM 3 – Incident Management Camera Equipment

The work is comprised of the operations, repair and maintenance of the County's Incident Management System including cameras, camera control, camera cabinets, encoders, decoders and associated communications equipment. Approximately 100 Cameras and all associated equipment are subject to routine inspection every ninety (90) days and reported on the daily work order form.

The Incident Management Cameras are usually located at signalized intersections in either cantilever mounted (dome camera) or at the top of a strain pole (top mount) configuration. The camera cabinets contain, in addition to the Ethernet Switch, other equipment used in the conjunction with the operation of the traffic camera.

The Contractor shall be available between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, excluding all legal Nassau County holidays. These hours of operation may be changed during the life of the contract at the direction of the County.

The Contractor shall respond only to work orders or directives issued from the Traffic Management Center. Response to work orders shall be as follows:

- a) all work orders transmitted to the Contractor between the hours of 7 a.m. and 7 p.m. on a normal business day shall require the Contractor to respond to the intersection or intersections within two (2) hours.
- b) all work orders transmitted to the Contractor at times other than those specified in Paragraph (a) above, shall require the Contractor to respond to the intersection or intersections on a priority established by the Traffic Management Center as follows: Work orders received prior to 7 a.m. shall require the Contractor to respond by 9 a.m. the same day; Work orders received after 7 p.m. shall require the Contractor to respond commencing no later than 7:00 a.m. the next business day following the transmittal.

All cameras that have failed or are removed from the field for repairs shall be repaired or replaced within five (5) calendar days.

All units repaired and returned to service shall operate a minimum of twenty-four (24) hours to fulfill the requirement of a completed repair. If a repaired and returned to service unit fails within twenty-four (24) hours it shall be considered as non-operational and not repaired for the purposes of billing. An operational unit is one that satisfies all requirements of the respective Specification for the particular piece of camera equipment.

ITEM 4 - Travel Time Signs

The work is comprised of the operations, repair and maintenance of the County's Travel Time Sign System including signs, control equipment, cabinets, tag readers, and associated communications equipment. Approximately 12 Travel Time Signs and all associated equipment are subject to routine inspection every ninety (90) days and reported on the daily work order form.

The Travel Time Signs are usually located road-side along the County's major arterials. The Travel Time Sign cabinets contain, in addition to the Ethernet Switch, other equipment used in the conjunction with the operation of the sign system.

The Contractor shall be available between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, excluding all legal Nassau County holidays. These hours of operation may be changed during the life of the contract at the direction of the County.

The Contractor shall respond only to work orders and directives issued from the Traffic Management Center. Response to work orders shall be as follows:

- a) all work orders transmitted to the Contractor between the hours of 7 a.m. and 7 p.m. on a normal business day shall require the Contractor to respond to the intersection or intersections within two (2) hours.
- b) all work orders transmitted to the Contractor at times other than those specified in Paragraph (a) above, shall require the Contractor to respond to the intersection or intersections on a priority established by the Traffic Management Center as follows: Work orders received prior to 7 a.m. shall require the Contractor to respond by 9 a.m. the same day; Work orders received after 7 p.m. shall require the Contractor to respond commencing no later than 7:00 a.m. the next business day following the transmittal.

All signs that have failed or are removed from the field for repairs shall be repaired or replaced within five (5) calendar days.

All units repaired and returned to service shall operate a minimum of twenty-four (24) hours

to fulfill the requirement of a completed repair. If a repaired and returned to service unit fails within twenty-four (24) hours it shall be considered as non-operational and not repaired for the purposes of billing. An operational unit is one that satisfies all requirements of the respective Specification for the particular piece of camera equipment.

ITEM 5 – Variable Message Signs

The work is comprised of the operations, repair and maintenance of the County's Variable Message Signs (VMS) including signs, control equipment, cabinets, sign support structures, and associated communications equipment. Approximately forty (40) Variable Message Signs and all associated equipment are subject to routine inspection every ninety (90) days and reported on the daily work order form.

The VMS are usually located road-side along the County's major arterials. The VMS cabinets contain, in addition to the Ethernet Switch, other equipment used in the conjunction with the operation of the sign system.

The Contractor shall be available between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday, excluding all legal Nassau County holidays. These hours of operation may be changed during the life of the contract at the direction of the County.

The Contractor shall respond only to work orders and directives issued from the Traffic Management Center. Response to work orders shall be as follows:

- a) all work orders transmitted to the Contractor between the hours of 7 a.m. and 7 p.m. on a normal business day shall require the Contractor to respond to the intersection or intersections within two (2) hours.
- b) all work orders transmitted to the Contractor at times other than those specified in Paragraph (a) above, shall require the Contractor to respond to the intersection or intersections on a priority established by the Traffic Management Center as follows: Work orders received prior to 7 a.m. shall require the Contractor to respond by 9 a.m. the same day; Work orders received after 7 p.m. shall require the Contractor to respond commencing no later than 7:00 a.m. the next business day following the transmittal.

All VMS signs that have failed or are removed from the field for repairs shall be repaired or replaced within five (5) calendar days.

All units repaired and returned to service shall operate a minimum of twenty-four (24) hours to fulfill the requirement of a completed repair. If a repaired and returned to service unit fails within twenty-four (24) hours it shall be considered as non-operational and not repaired for the purposes of billing. An operational unit is one that satisfies all requirements of the respective Specification for the particular piece of camera equipment.

ITEM 6 – As Ordered (furnish equipment – force bid)

During the course of this contract \$100,000 has been allocated for the purchase of supplies and equipment which will be selected by the County during the course of the contract period. Details regarding this item can be found in Division 1, Section 10.

ITEM 7 – Trailer Mounted VMS Signs

Contractor shall provide four (4) trailer mounted Variable Message Signs for use in conjunction with the Operations of the Traffic Management Center. In the event of planned or un-planned events, these VMS signs will be deployed in order to inform the motoring public of details related to construction, road closures and alternate routes available. Two (2) signs (mid-size) shall be 48 inches high X 96 inches high, and the other two (2) signs (full-size) shall be 78 inches high X 126 inches high. Upon completion of the project, ownership of the 4 signs will be transferred to Nassau County. All four (4) signs shall meet or exceed the following specifications:

- Single Color Display
- LED Full matrix display with message scrolling and scheduling capability
- Solar powered with 110 Volt charging system
- Battery array should operate sign for 20 days without sun/110V charging
- IP cellular network connectivity (including Verizon cellular service fees)
- Remote control access software (must be compatible with AMSIG software)
- Hydraulic Sign Hoist
- Metal battery boxes.
- Handheld operators terminal
- Sign trailer shall be orange in color
- 2 5/16" trailer hitch with the ability to tow trailers in tandem
- All trailer lights must be LED with 7 pin vehicle connector

ITEM 8 – Forklift

Contractor shall provide one (1) sit-down forklift for use in conjunction with Traffic Management field and warehouse operations. Forklift shall meet or exceed the following specifications:

- 4,000 pound lift capacity
- Pneumatic Tires
- Gasoline / Natural Gas internal combustion engine (4 cylinder)
- Power shift transmission
- Mirrors
- Cab roof
- Front and rear work lights

- Steering wheel spinner knob
- Bracket for trailer tow ball

SECTION III - TIME AND MATERIAL

The Contractor as ordered by the Engineer under this Section shall perform installations, modifications, and major repairs. The County reserves the right to furnish any or all materials under Section III, Time and Material.

The County reserves the right to request a written estimate for all installations and modifications. All estimates shall be returned to the Engineer no later than two (2) weeks from the date of the request.

Upon issuance of a work order, the Contractor shall complete the actual field construction within four (4) weeks. Catalog cuts must be provided to the project manager for review and approval prior to purchase or installation of any materials.

The Contractor shall be subject to all the provisions of the Articles in the Agreement of this contract for any incomplete work, and shall be noted accordingly.

PAYMENT - TIME AND MATERIAL

Payment for work performed as directed under this Section shall be on a Time and Material basis. Claims for payment of material furnished, including material furnished by a Subcontractor shall clearly show material cost and percentage for overhead and profit. Material cost times (the sum of the overhead and profit percentage + 100%) shall be equal to the total cost of material for this item.

Claims for the payment of time, including the Subcontractor's time shall clearly show the personnel hours and the hourly rates for direct labor cost and percentage for overhead and profit. Hourly rates of direct labor cost times (the sum of the overhead and profit percentage + 100%) shall equal the total cost of time. Claims for the payment of equipment used by the Subcontractors shall show the actual number of hours worked for each piece of equipment used on the job.

The hourly equipment rates shall be the daily rates divided by eight (8) as listed in the "Rental Rate Blue Book for Construction Equipment" (Blue Book), published by the Equipment Guide Book Company, or approved equal.

The Contractor shall require that payment for any work performed by a Subcontractor be verified with an itemized breakdown of material used and its cost, personnel hours, hourly rates of direct labor costs, and equipment type and number of hours used. Additionally, the Contractor shall be allowed five (5%) percent of the Subcontractor's paid cost of materials, direct labor costs, and equipment costs to cover the Contractor's additional overhead and

supervision costs. In computing the five (5%) percent, it shall be based solely on the Subcontractor's cost of labor, materials, and equipment, exclusive of overhead and profit. The Subcontractor's percentage for overhead and profit shall be not more than the Contractor's percentage for overhead and profit less five (5%) percent.

SECTION IV - MATERIALS AND INSTALLATION

All materials furnished by the Contractor shall be new and of excellent quality acceptable to the Engineer. The project manager may require the submission of samples for approval. All such materials used in modifications and major repairs shall be the same as that which is replaced, or better. The Contractor shall specify, in writing, to the project manager, the manufacturer's name, model, quantity, etc. of the materials he intends to use.

All materials and installation methods shall meet the applicable "Traffic Signal Standard Specifications and Drawings." These specifications and standards may be changed from time to time during the life of this contract, and the latest revision shall govern. Materials used on Federal Aid projects should conform with NYSDOT Materials Inspection Manual (See also MURK Part 2-A) as well as the "Materials Approved List"

SPECIAL PROVISIONS AND CONDITIONS

Extension of Contract:

The County reserves the right to extend this contract for a period of not more than twelve (12) calendar months beyond the normal termination date, at one to three month intervals, at the same bid price per item. Notice of extension will be given in writing not less than fifteen (15) days in advance of the existing contract termination date.

APPENDIX I

ITEM 1A - COMPUTER EQUIPMENT

<u>Item</u>	<u>Qty</u>	<u>Manufacturer</u>	<u>Description</u>
1)	20	Dell	Dell Power Edge Server
2)	20	Dell	Optiplex desktop computer & monitors
3)	1	Symmetrioom	Network time clock
4)	1	Cisco	6500 Series switch
5)	40	Cisco	24 port network switch
6)	10	Cisco	48 port network switch
7)	1	Cisco	VPN Firewall
8)	200	Cisco	8 port network switch
9)	400	Actelis	Ethernet over copper modem
10)	10	HP	Proliant Server
11)	2	APC	8000 VA Smart-UPS
12)	5	APC	3000 VA Smart-UPS
13)	10	APC	1200 VA Back-UPS
14)	8	Latitude	Dell Laptop
15)	2	HP	Color Inkjet Printer
16)	3	HP	Color Laser Printer
17)	10	67 Inch	Mitsubishi Video Cubes
18)	20	Samsung	IID Display Monitors
19)	3	Etherwan	24 Port SFP Switch
20)	2	Buffalo	Terrastation Network Storage
21)	6	Vaddio	Quad 4 Rack Mount Monitors
22)	6	Teleste	8 Port Analog Video Decoders
23)	3	Teleste	1 Port HD Video Decoders
24)	6	Motorola	FX500 Portable Radios
25)	2	Motorola	IIT1250 Portable Radios
26)	6	Motorola	CDM1250 Mobile Radios
27)	3	Samsung	DVD / Blu-ray player
28)	400	Comnet	Fiber/Copper Media Converters

During the course of this contract, the number of equipment listed above may increase or decrease as part of system expansion, upgrade or replacement.

APPENDIX II

ITEM 1B - ANCILLARY EQUIPMENT

- 1) Communication racks complete include but may not be limited to: power supplies, fiber optic patch panels, rack-mounted media converters, keyboard, video, mouse pull out trays, shelving units, wire management, cooling fans and power wires.
- 2) Singlemode fiber optic duplex patch cables in various lengths with LC and ST connectors.
- 3) Ethernet patch cables in various lengths.
- 4) Fiber optic SFP modules for various transmit distances for 100 Mbps and gigabit.
- 5) Miscellaneous computer power cables and connectors
- 6) Miscellaneous VGA and HDMI cables and connectors
- 7) VGA and HDMI Extenders via cat 6 cable
- 8) KVM Extenders with sound via cat 6 cable
- 9) USB Extenders via cat 6 cable

APPENDIX III

COMMUNICATION HUB CABINET LOCATIONS

#	Location
1)	3 North Jerusalem @ Merrick Ave, North Merrick
2)	4 Grand Ave @ School St, Baldwin
3)	4A Grand Ave @ High School Dr, Baldwin
4)	4B Grand Ave @ Merrick Rd, Baldwin
5)	6 Peninsula Blvd @ President St, Hempstead
6)	7 Peninsula Blvd @ Vincent, Lynbrook
7)	8 Peninsula Blvd @ Rockaway Tpke, Hewlett
8)	14 Old Courthouse Communications Room, Mineola
9)	14A Old Country Rd @ County Seat Dr, Mineola
10)	15 Old Country Rd @ Glen Cove Rd, Carle Place
11)	16 Old Country Rd @ Merrick Ave, Westbury
12)	17 Old Country Rd @ Apex La, Hicksville
13)	17A Old Country Rd @ Jerusalem Rd, Hicksville
14)	18 Old Country Rd @ South Oyster Bay Rd, Plainview
15)	18A Old Country Rd @ Route 135, Plainview
16)	19 North Main St @ Seaman Ave, Freeport
17)	20 Nassau Rd @ West Greenwich St, Roosevelt
18)	21 Merrick Rd @ Henry St, Freeport
19)	23 Peninsula Blvd @ Branch St, Hewlett
20)	26 Franklin Ave @ 11 th St, Garden City
21)	27 Franklin Ave @ 5 th St, Garden City
22)	28 Franklin Ave @ 2 nd St, Hempstead
23)	28A Franklin Ave @ Front St, Hempstead
24)	29 Greenwich St @ Henry St, Hempstead
25)	30 Jerusalem Ave @ Clare, Uniondale
26)	31 Long Beach Rd @ Foxhurst Rd, Oceanside
27)	32 Long Beach Rd @ Mett St, Oceanside
28)	33 Long Beach Rd @ Park St, Long Beach

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- 29) 40 Stewart Ave @ Pine St, Bethpage
- 30) 44 Merrick Rd @ Blake St, Lynbrook
- 31) 46 Central Ave @ Wells St, Valley Stream
- 32) 47 Mill Rd @ Jedwood Pl, Valley Stream
- 33) 53 West John St @ Charlotte St, Hicksville
- 34) 54 Jerusalem Ave @ Winding Rd, Hicksville
- 35) 56 Peninsula Blvd @ Nassau Expressway, Inwood
- 36) 69 Brush Hollow Rd @ Prospect Ave, Westbury
- 37) 69A Brush Hollow Rd @ Wantagh Pky, Westbury
- 38) 70 Central Ave @ Stewart Ave, Bethpage
- 39) 71 Wantagh Ave @ Laurel La, Wantagh
- 40) 72 Wantagh Ave @ Sprucewood Dr, Levittown
- 41) 73 North Jerusalem Ave @ Oakfield Rd, North Bellmore
- 42) 74 Roslyn Road @ Northern Pky, Roslyn
- 43) 74A Main Street @ Old Northern Blvd, Port Washington

APPENDIX IV

FIELD COMMUNICATIONS EQUIPMENT

<u>Street or Area</u>	<u>No. of Units</u>
Middle Neck Road, Great Neck	21
Lakeville Road / Marcus Avenue	16
Old Country Road, Mineola to Plainview	68
Mineola Blvd, Franklin Ave/St, Mineola to Hempstead	29
Village of Garden City (except Franklin Avenue)	19
Village of Hempstead (except Franklin Street)	27
Greenwich St / Henry St	16
Jerusalem Ave, Hempstead to Uniondale	14
Merrick Avenue, Merrick	17
Grand Avenue, Baldwin	19
Franklin Avenue, Franklin Square	24
Nassau Road / N. Main Street, Uniondale to Freeport	25
Village of Freeport (except Merrick Road)	17
Merrick Road, Valley Stream to Massapequa	116

<u>Street or Area</u>	<u>No. of Units</u>
Village of Rockville Centre (except Merrick Road)	17
Long Beach Road / Austin Blvd	32
Village of Long Beach / Lido & Atlantic Beach	92
Willis Avenue, Mineola to Albertson	19
Broadway, Massapequa	18
Stewart Avenue, Bethpage	14
South Oyster Bay Road, Hicksville to Plainview	11
Woodbury Road, Hicksville to Woodbury	17
Dutch Broadway, North Valley Stream	9
Central Avenue, Valley Stream	10
Mill Road, Valley Stream	8
Broadway/West Broadway, 5 Towns	29
Belmore Avenue, Belmore	12
Post Avenue, Westbury	9
West John Street, Hicksville	11
Test Units, Traffic Control Center	6
Roosevelt Center, Westbury	6
Jerusalem Avenue, Hicksville	9
Elmout Road, Elmont	9

<u>Street or Area</u>	<u>No. of Units</u>
Burnside Avenue/Sheridan Boulevard, Inwood	8
Clinion Road/Stewart Avenue East, Garden City/Garden City East	17
Stewart Avenue West/Nassau Boulevard, Garden City	11
Oceanside Road/Brower Avenue/ Atlantic Avenue, Oceanside/Baldwin	15
Hempstead Avenue Malverne / West Hempstead	19
Peninsula Boulevard	47
Forest Avenue Glen Cove	17
Total number of Communications Units	<u>900</u>

APPENDIX V

CONTRACTORS REQUIRED EQUIPMENT INVENTORY

<u>Item No.</u>	<u>Description</u>	<u>Quantity</u>
670.1206	Aluminum 6 Foot Luminaire Arm	1 Each
683.030300NA	HD CCTV Top Mount Camera	1 Each
683.030600NA	HD CCTV Dome Camera	1 Each
683.060100NA	CCTV Camera Control Cabinet	1 Each
683.090100NA	8 Port Hardened 10/100 Ethernet Switch	2 Each
683.090600NA	10/100 Optical Ethernet Converter Shelf Mt	2 Each
683.090700NA	10/100 Optical Ethernet Converter Rack Mt	2 Each
683.100100NA	Communications HUB Cabinet	1 Each
680.81422010	Auxiliary Pole	1 Each
683.92150010	Fiber Optic Drop Cable, 12 Fiber	5,000 Feet
683.92104810	Fiber Optic Drop Cable, 48 Fiber	5,000 Feet
683.92107210	Fiber Optic Drop Cable, 72 Fiber	5,000 Feet
	5 Pair/19 Copper Comm. Cable IMSA 20.2	2,500 Feet

The equipment listed above will remain the property of the Contractor until such time that it is installed in the field. Storage space at Nassau County's Traffic Management warehouse will be made available to house the equipment listed above. Equipment should be inventoried and delivered to the Traffic Management warehouse prior to the start of the contract and will remain in storage for the duration of the contract.

General Notes

1) Specifications and Standards

All work included in the contract shall be in accordance with the following 2008 Standard Specifications (US Customary) and Drawings, as modified and amended in the Contract Specifications and Drawings.

- a. New York State, Department of Transportation Standard Specifications.
- b. New York State, Department of Transportation "Special" Specifications.
- c. New York State, Department of Transportation "Special" Specifications for the County of Nassau, State of New York.

Contractor is directed to the installation detail sheets included in the plans for specific details regarding installation in accordance with the specification. In addition, notes are made in the "General Notes" section of the plan set to identify minor changes to the NYS Specification in order to comply with Nassau County standards.

2) Scope of Work

- a. At all times during the life of this contract, the Contractor shall maintain safe vehicular traffic and access to adjacent private properties located throughout the entire length of the contract.
- b. The Contractor will provide a place for concrete test cylinders in proximity to the work so that the cylinders share the same curing conditions as the newly placed concrete. The Contractor will protect these cylinders for the three days they will be left on the job site.

3) Utilities

- a. The Contractor is directed to notify all utilities well in advance of his beginning work to allow them time to mark out their facilities.
- b. The Contractor is directed to notify all privately owned utilities well in advance of his beginning work to allow them time to adjust their manholes and other castings.
- c. The Contractor will see to it that utility valve boxes and manholes are readily accessible at all times. He will not store materials over them and should it become necessary to cover the boxes and manholes with spoil, he will devise a method for finding them quickly and assist the utility

company to uncover them. Further, the boxes will be uncovered during non-working hours.

- d. Mechanical excavation will not be used within two (2) feet on either side of any utility or house service so marked by the utility company. Hand digging will be required to expose the utility pipe.
- e. Prior to backfilling, a gas utility representative will inspect all gas facilities. Damaged pipe will be repaired by the utility company, before backfilling. The County will not be responsible for any of the costs associated with the repair of damaged utilities. The Contractor's attention is called to existing Long Island Power Authority overhead circuits. The Contractor is warned to keep all equipment and personnel a minimum of ten (10) feet from any conductor. The Contractor shall fully cooperate with the Long Island Power Authority (LI'PA) and comply with its requirements for safe operation.
- f. The Contractor's attention is called to the fact that there are utilities, both publicly and privately owned, that are now in place within the contract area. The owners of privately owned utilities may be relocating parts of their existing plants to conform with the new lines and grades of this project. The Contractor shall cooperate with the various agencies carrying out this work, which must be coordinated with the work of this contract.
- g. Existing structures, utilities and facilities, either shown or not shown on the plans, above or below the ground, which new items of work shall encounter may not have been located accurately. The Contractor shall determine the locations and elevations of pertinent structures, utilities and facilities, before new installations are started, so that there will be no interference with the progression of the work. Any conflict between existing structures, utilities and facilities and the new items of work shall be ascertained by the Contractor prior to commencing any work under the respective items and called to the attention of the Engineer.
- h. Grades and locations of new installations may be changed by the Engineer, if necessary to prevent conflict with existing installations. Therefore, the Contractor shall determine the locations of all existing installations accurately, both as to line and grade, before new items of work are started.
- i. If the Contractor does not follow the above procedure and new work has to be removed and replaced, or there is a delay, all cost will be borne by the Contractor, and the County will only pay for the amount of the items in place complete at the completion of the contract. The Contractor shall conduct his operations so that all utility services are maintained at all times.

- j. The Contractor shall exercise extreme care in the performance of any operation, in the vicinity of the existing or relocated cable pipelines. No such operations shall take place without the LIPA representatives on hand. All excavation in the immediate vicinity of these lines shall be done by hand, with such application as to ensure that the pipe shall not be punctured or the coating disrupted. In the event that any length of cable pipeline is exposed, it shall be supported and protected to the satisfaction of LIPA inspection personnel. No blind shooting shall be driven in the proximity of the existing electric cable pipes before first exposing these cable pipes by hand.
- k. The Contractor should inspect the plans of the utility companies plan to ascertain the location of the underground work and locations of crossings of sewer and drainage work. The Contractor shall coordinate his work with the work being done by the utility companies. It is anticipated that job meetings will be held at various times to aid coordination of the work.

4) Clean up

- a. The Contractor will be required to backfill and regrade all areas that are disturbed by him during the life of this contract. In all cases disturbed areas shall be cleaned up and restored to the condition existing prior to the commencement of the work.
- b. Where the disturbed area was originally earth, it shall be properly graded to meet and match the surrounding terrain, and left with a smooth surface. Clean-up shall be as defined herein above, but if in the opinion of the Engineer, the Contractor has exercised carelessness or disregard to private property in the conduct of his work, then restorative measures required thereto shall be included in this procedure.
- c. No separate payment will be made for any of this clean up and restoration work, but the cost thereof shall be included in the unit prices bid for the various items.

5) Job Site Safety

The Contractor shall exercise precaution at all times for the protection of all personnel. The safety provisions of applicable laws shall be observed, but job site safety is the sole responsibility of the Contractor and his subcontractors and cannot be assumed by the County or its agents.

6) Rubbish and debris

The Contractor shall legally dispose of all unsuitable material, rubbish, and debris at some separate location, not in the vicinity of the site.

7) Protection of Facilities

The Contractor shall protect all work done under this contract from possible damage for the duration of the contract. He shall be responsible for the repair or replacement, to the satisfaction of the Engineer, of any material, structure, or property on or adjacent to the site and damaged by him or his employees through the construction openings up to the time of acceptance by the County.

8) Circumstances where Construction Site is Beyond ROW

The Contractor shall obtain permission from the owner of a property before entering that property for any reason whatsoever. The construction site shall include areas beyond the right of way and working easement lines to allow for grade revisions to driveways and walks on private property.

9) Concrete Breaking

The Contractor is cautioned that the use of a ball operated from a crane or other equipment will not be permitted under any circumstances for the breaking up of any concrete. Any machine or method used must meet the approval of the Engineer.

10) Drainage Installation

The Contractor shall plan his work and progress so that, at all times, either the new or the existing drainage facilities will function to carry off stormwater runoff so that no damage or inconvenience will result.

11) Sales Tax Exemptions

Nassau County is exempt from the payment of New York State Sales Tax and Compensating Use Taxes under Section 1116 of Article 28 of the Tax Law of the State of New York, and is exempt from the payment of Nassau County Sales and Uses Taxes under Section 7, Ordinances 404-C-1968, enacted pursuant to Section 1210 of Article 29 of the Tax Law of the State of New York. However, it is not to be construed by bidders as relieving them from any obligation to pay sales tax on applicable items pursuant to the terms of the present sales tax laws.

12) Cold Patch

No separate payment of cold patch material used in this contract will be made. The cost thereof shall be included in the unit prices bid for the various contract items.

13) Requirements of Other Municipal Departments

The Contractor shall give all necessary notices, obtain all permits, and pay all fees in connection with the work under this contract. Nassau County will obtain any NYSDOT Highway Work Permits if required. He shall comply with all laws, ordinances, rules, and regulations of Nassau County and Municipal Departments having jurisdiction over work of this character. These shall take precedence over any requirements of these specifications where and if a conflict occurs. This however, shall not be interpreted as permitting the use of materials and equipment inferior to those specified.

14) Private Facilities in Public Rights-of-Way

- a. The Contractor shall be aware that sprinkler heads, private lamp and sign posts, electric signs, electric lines, water service, oil inlets, oil lines, horticultural planting, landscaping, etc. are owned privately, but exist in the public rights-of-way. The Contractor may be required to remove these appurtenances as ordered by the Engineer.
- b. No separate payment for this work will be made. The cost thereof shall be included in the unit prices bid for the various contract items.

15) Special O.S.H.A. Notes

- a. The Safety Provisions in the Specification are primarily to protect County property and the public against unsafe acts of the Contractor. The Occupational Safety and Health Act (OSHA) of 1970 requires that "Each Employer (1) shall furnish to each of his employees employment and a place of employment which are free from recognized hazards that are causing or likely to cause death or serious physical harm to his employees; (2) shall comply with the occupational safety and health standards promulgated under this act".
The regulations in the act may be more stringent than are required by the Plans and/or Specifications. The Contractor however must conform to the O.S.H.A. Regulations and such conformance shall not be reason to demand additional payment or claim extra work.
- b. Sheet piling, if included in the project, shall conform strictly to the Requirements of the O.S.H.A. Regulations for Construction-Subpart P, Excavation, Trenching, and Shoring:

1926.650 -- General protection requirements;
1926.651 -- Specific excavation requirements;
1926.652 -- Specific trenching requirements; and
1926.653 -- Definitions applicable to this subpart.

- 16) The Contractor shall notify the Nassau County Police Department, local fire departments, and local transportation authorities in writing as to the conditions prevailing on the construction site and detours in use. Duplicate copies of such notices shall be filed with the Engineer.

SPECIAL PROVISIONS

1) Schedule

The contract shall be completed within thirty-six (36) months from the commencement of work date unless the County extends the original scope of work. In that event, the contract shall be extended to allow for the completion of additional work. The length of the extension shall be in proportion to the amount of work added. The length of the extension shall be the sole discretion of the County.

2) Contractor Experience and Requirements

- a. The nature of the work involved in this contract requires the Contractor to possess prior satisfactory experience in the installation and maintenance of traffic signals. The proper operation of signals has critical public safety aspects.
- b. Prospective bidders (primary contractor) must have at least three (3) years of satisfactory experience in the actual installation and maintenance of considerable numbers and types of traffic signals and traffic control equipment.
- c. Prospective bidders must be trained and certified in the handling and the installation of the fiber optic cable, fiber optic splices, testing of fiber optic systems, and various other related items. The prospective bidder must be trained and certified by the fiber optic cable manufacturer, the manufacturer of the fiber optic splice enclosures, and the manufacturer of the fiber optic test equipment.

3) Maintenance of Traffic Signals

- a. All the traffic signal communications being improved, as part of this contract shall be maintained by the Contractor.
- b. All signal communications will be transferred to Contractor maintenance on the commence work date and will remain until termination of the contract.
- c. The Contractor shall be responsible to repair or replace any traffic signal equipment installed, which is damaged by any means. The Engineer shall approve repairs. Replacements shall meet all the contract specifications and requirements.
- d. The County will provide replacements for existing traffic signal equipment, which is to be retained under the provisions of the contract.

Installations of the replacement equipment will be paid for under, Time and Materials.

4) Standards

New York State Traffic Signal Standard Specifications and Drawings" (2008 latest edition) are made part of this contract.

5) Equipment Approval

All equipment furnished and/or installed by the Contractor shall be new and conform to the Traffic Signal Specifications and Standard Drawings" (latest edition) including painting. Catalog cuts and/or manufacturer name, model number, and description for all fiber optic related equipment, and all other furnished equipment, shall be submitted to Traffic Management, 1194 Prospect Avenue, Westbury, New York 11590, Attention Jeff P. Lindgren for approval, prior to installation as requested by the Department.

6) Recourse

This contract does not imply that the low bidder, following the award of this contract, has the exclusive right or legal recourse to the County of Nassau for any other similar type contract, or any other traffic signal interconnect contract which includes the furnishing and installation of traffic signal interconnect, that may be awarded during the life of this contract.

7) Maintenance and Protection of Traffic

- a. Where work is being constructed on streets, sidewalks, easements or other locations normally used by the public, the Contractor shall conduct his work so as to minimize the interference with the safe and direct movement of pedestrian and vehicular travel. The Contractor shall provide all necessary construction signs, fencing, barricades, and lighting as required by the Commissioner. The material and its placement shall conform to the latest edition of the "National Manual of Uniform Traffic Control Devices" with "New York State supplement" and directives of the County of Nassau. When directed by the Commissioner, the Contractor shall provide the safe means of crossing over trenches or obstacles within the work site either by bridging or other suitable structures.
- b. Accessibility to fire hydrants, police and fire call boxes, and provision for the ingress and egress of emergency vehicles including police, fire, and ambulance vehicles shall be required at all times.
- c. All work performed under this paragraph shall be at the Contractor's expense and at no additional cost to the County.

- d. No separate payments shall be made since all work for maintenance and protection of traffic shall be included in the unit prices bid for the various contract items.

8) Work Zone Traffic Control

- a. The Work Zone Traffic Control (WZTC) schemes should refer to NYSDOT Standard Specifications Section 619 and National Manual of Uniform Traffic Control Devices (MUTCD) with NYS Supplement. Standard sheets from Section 619 (nysdot.gov) can be used for guidance for shoulder and/or lane closures.
- b. No separate payments shall be made since all work for Work Zone Traffic Control shall be included in the unit prices bid for the various contract items. All traffic control devices, signs and pavement markings shall be NYSDOT approved products and materials.
- c. Workers, pedestrians and motorists should be accommodated and protected at all times within the entire project limits.

9) Underground Facilities

Before doing any work over, under, or near underground facilities, all provisions of Industrial Code Rule #753 of Title 12, of the Official Compilation of Codes, Rules, and Regulations of the State of New York, effective February 5, 1997 shall be strictly enforced and complied with.

10) Cleanliness

Upon completion of the work at each location or work order, the Contractor shall remove all remaining materials and shall leave the area, which may have been affected by his operation, in a neat and orderly condition.

11) Hold Harmless

- a. The Hold Harmless and Indemnification Provisions of this contract are to include, but not limited to, any civil action for damage brought against the County which the basis of such action is an allegation of (1) a malfunctioning traffic control device and/or (2) a defectively maintained traffic control device.
- b. The obligation of the Contractor to hold harmless and indemnify the County is absolute and shall not be dependent on the Contractor having has received any actual notice from the County of any malfunctioning and/or defectively maintained traffic control device.

12) Transportation of Removed Equipment

All equipment removed from field locations shall be returned to the Traffic Management Center at 1194 Prospect Avenue in the same condition as when removed from operation. All work related to removing existing equipment, and returning the same to the Signal Operations Center shall be at the Contractors expense and at no additional cost to the County.

13) Additional Work -- Extension of Contract

The County of Nassau reserves the right to extend the terms of this contract at the accepted bid prices for either furnishing only or furnishing and installing when the successful bidder is notified within ninety (90) days of the date of approval of the catalog cuts. The extension shall not exceed 50% of the total price bid. All extra work must be in accordance with the latest NYS Standard Specifications (2008), Section 109-05. The request for an extension of time by the contractor shall be submitted to NYSDOT Construction for their concurrence, only after the contractor has submitted a letter for time extension with a detailed explanation to Nassau County and Nassau County has agreed to the extension.

14) Contract Administration and Inspection

The Department of Public Works through the Division of Highway and General Engineering, Traffic Engineering Unit will be the administrator of this contract and shall approve all equipment to be supplied, verify and approve all claim vouchers, and be responsible for furnishing all necessary inspections to verify compliance with the contract.

15) Funding

This contract is funded out of the Public Works Operating Budget and is eligible for Federal Aid reimbursement.

16) Payment

Payments of this contract will be made on a monthly basis for work completed during the preceding calendar month. No partial payments shall be made for material on hand and not installed. The retainage specified in the preceding pages of this contract will be deducted from each monthly claim and paid to the Contractor at the successful completion of the contract.

**APPENDIX 2
IRAN DIVESTMENT ACT**

As a result of the Iran Divestment Act of 2012 (Act), Chapter 1 of the 2012 Laws of New York, a new provision has been added to the State Finance Law (SFL), § 165-a, effective April 12, 2012. Under the Act, the Commissioner of the Office of General Services (OGS) will be developing a list (prohibited entities list) of "persons" who are engaged in "investment activities in Iran" (both are defined terms in the law). Pursuant to SFL § 165-a(3)(a), the initial list is expected to be issued no later than 120 days after the Act's effective date, at which time it will be posted on the OGS website.

By entering into this Contract, Contractor (or any assignee) certifies that once the prohibited entities list is posted on the OGS website, it will not utilize on such Contract any subcontractor that is identified on the prohibited entities list. Additionally, Contractor agrees that after the list is posted on the OGS website, should it seek to renew or extend the Contract, it will be required to certify at the time the Contract is renewed or extended that it is not included on the prohibited entities list. Contractor also agrees that any proposed Assignee of the Contract will be required to certify that it is not on the prohibited entities list before the New York State Department of Transportation (NYSDOT) may approve a request for Assignment of Contract.

During the term of the Contract, should NYSDOT receive information that a person is in violation of the above-referenced certification, NYSDOT will offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment which is in violation of the Act within 90 days after the determination of such violation, then NYSDOT shall take such action as may be appropriate including, but not limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

NYSDOT reserves the right to reject any request for assignment for an entity that appears on the prohibited entities list prior to the award of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the prohibited entities list after contract award.

**APPENDIX 2-S
IRAN DIVESTMENT ACT**

As a result of the Iran Divestment Act of 2012 (Act), Chapter 1 of the 2012 Laws of New York, a new provision has been added to the State Finance Law (SFL), § 165-a, effective April 12, 2012. Under the Act, the Commissioner of the Office of General Services (OGS) will be developing a list (prohibited entities list) of "persons" who are engaged in "investment activities in Iran" (both are defined terms in the law). Pursuant to SFL § 165-a(3)(b), the initial list is expected to be issued no later than 120 days after the Act's effective date, at which time it will be posted on the OGS website.

By entering into a renewal or extension of this Contract, Contractor (or any assignee) certifies that once the prohibited entities list is posted on the OGS website, it will not utilize on such Contract any subcontractor that is identified on the prohibited entities list.

Additionally, Contractor understands that during the term of this Contract, should NYSDOT receive information that a person is in violation of the above-referenced certification NYSDOT will offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment which is in violation of the Act within 90 days after the determination of such violation, then NYSDOT shall take such action as may be appropriate including, but not limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

NYSDOT reserves the right to reject any renewal, extension or request for assignment for an entity that appears on the prohibited entities list hereafter and to pursue a responsibility review with respect to any entity that is granted a contract extension/renewal or assignment and appears on the prohibited entities list thereafter.

APPENDIX A-1: SUPPLEMENTAL TITLE VI PROVISIONS (CIVIL RIGHTS ACT)

To be included in all contracts

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- (1) **Compliance with Regulations:** The contractor shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Department of Transportation of the United States, Title 49, Code of Federal Regulations, Part 21, and the Federal Highway Administration (hereinafter "FHWA") Title 23, Code of Federal Regulations, Part 200 as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- (2) **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin, sex, age, and disability/handicap in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR, section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- (3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin, sex, age, and disability/handicap.
- (4) **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by NYSDOT or the FHWA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to NYSDOT's Office of Civil Rights or FHWA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- (5) **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, NYSDOT shall impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - (a.) withholding of payments to the contractor under the contract until the contractor complies, and/or
 - (b.) cancellation, termination or suspension of the contract, in whole or in part.
- (6) **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs (1) through (5) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontractor procurement as NYSDOT or the FHWA may direct as a means of enforcing such provisions including sanctions for non-compliance. Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request NYSDOT to enter into such litigation to protect the interests of NYSDOT, and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

NO TEXT ON THIS PAGE

REVISED JULY 2012

CHAPTER 12, APPENDIX 12-1
CONSTRUCTION CONTRACT
REQUIREMENTS

REVISED JULY 2012

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If Sponsors use NYSDOT Standard Specifications for their construction projects, include the following Federal requirements in ALL contract bid proposals:

- Certification for Federal Aid Contracts.**
- Disclosure of Lobbying Activities.**
- Non-Collusive Bidding Certification, this format provides a single signature page for the bidder to sign with all requirements listed.**
- U.S. Department of Transportation Hotline Information.**
- Equal Employment Opportunity Requirements. See Section 102-11 of the NYSDOT Standard Specifications.**
- FIWA-1273 Required Contract Provisions.**

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CERTIFICATION FOR FEDERAL AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his/her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

The prospective participant also agrees by submitting his/her bid or proposal that he/she shall require that the language of this certification be included in all lower tier subcontracts which exceed \$100,000.00 and that such subrecipients shall certify and disclose accordingly.

THESE MUST BE INCLUDED IN ALL FEDERAL AID CONTRACTS, AND MUST BE INCLUDED IN EACH BID PROPOSAL WHETHER NYSDOT SPECIFICATIONS OR LOCAL SPECIFICATIONS ARE USED.

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001".
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity.

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identified in item 4 or 5.

10. (a) Enter the full name, address, city, state and zip code for the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the Federal covered action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form; print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB Control Number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

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DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure.)

1. Type of Federal Action:		2. Status of Federal Action:		3. Report Type:	
a. contract		a. bid/offer/application		a. initial filing	
b. grant		b. initial award		b. material change	
c. cooperative agreement		c. post-award		For Material Change Only:	
d. loan				year: _____ quarter: _____	
e. loan guarantee				date of last report: _____	
f. loan insurance					
4. Name and Address of Reporting Entity:				5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:	
<input type="checkbox"/> Prime <input type="checkbox"/> Subawardee For # known: _____					
Congressional District, if known: _____				Congressional District, if known: _____	
6. Federal Department/Agency:				7. Federal Program Name/Description:	
				CFDA Number, if applicable: _____	
8. Federal Action Number, if known:				9. Award Amount, if known:	
				\$ _____	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):				b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):	
<p><small>11. Information reported through this form is authorized by title 31 U.S.C. section 1352. The disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the borrower when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. The information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</small></p>				Signature: _____	
				Print Name: _____	
				Title: _____	
				Telephone No.: _____ Date: _____	
Federal Use Only:				Authorized for Loose Reproduction Standard Form LLL (Rev. 7-07)	

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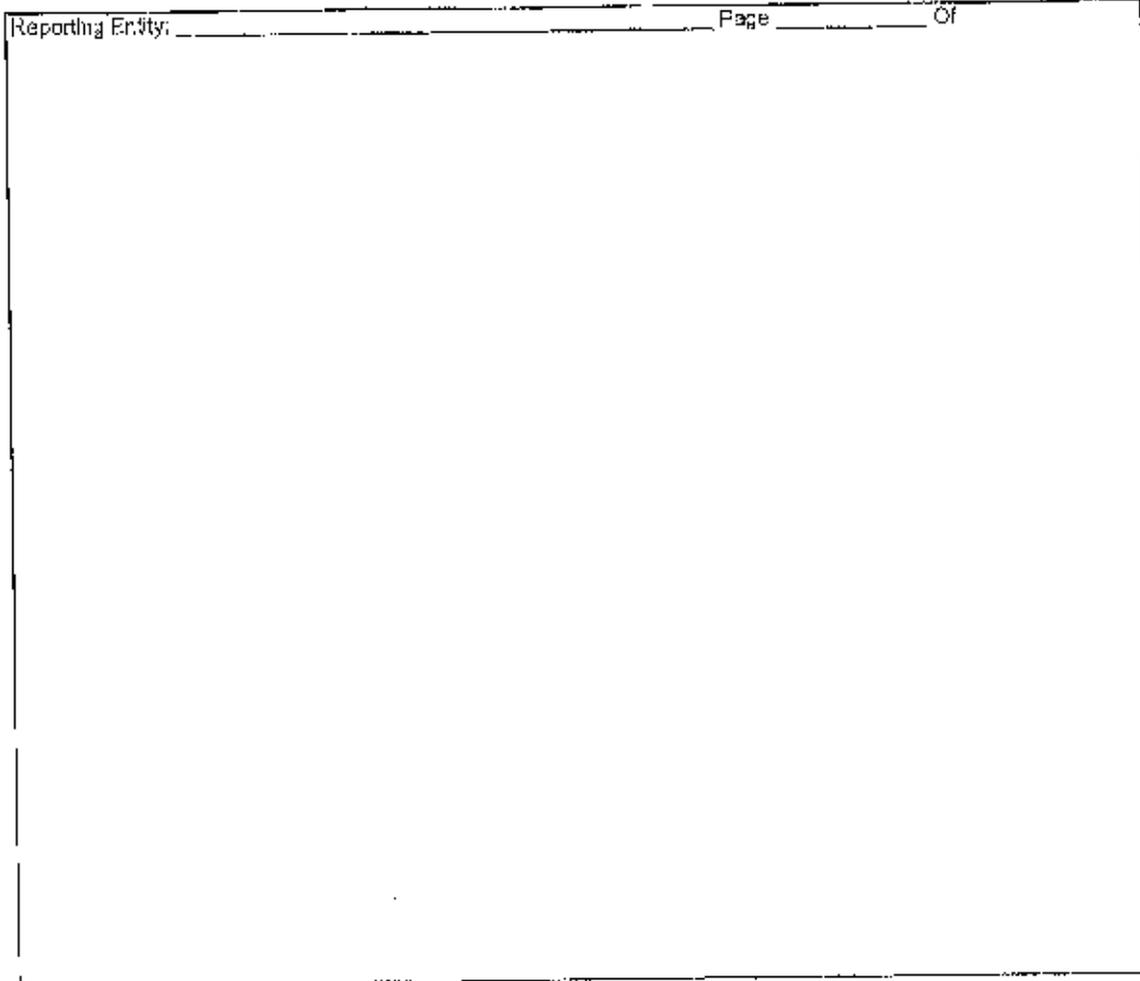
REQUIREMENTS REGARDING LOBBYING ACTIVITIES ON FEDERAL AID CONTRACTS

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by
OMB
0348-0046

Continuation Sheet

Reporting Entity: _____ Page _____ Of _____



Authorized for Local Reproduction - Standard Form LLL

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NON-COLLUSIVE BIDDING CERTIFICATIONS

REQUIRED BY SECTION 139-D, STATE FINANCE LAW and SECTION 103-D OF GENERAL MUNICIPAL LAW

"Section 139-d, SFL and Section 103-d, GML, "Statement of non-collusion in bids to the state."

1. Every bid hereafter made to the state or any public department, agency, or official thereof, where competitive bidding is required by statute, rule, or regulation, for work or services performed or to be performed or goods sold or to be sold, shall contain the following statement subscribed by the bidder and affirmed by such bidder as true under the penalties of perjury:

Non-collusive bidding certification.

(a) By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of his knowledge and belief:

(1) The prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;

(2) Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to opening, directly or indirectly, to any other bidder or to any competitor; and

(3) No attempt has been made or will be made by the bidder to induce any other person, partnership, or corporation to submit or not to submit a bid for the purpose of restricting competition.

(b) A bid shall not be considered for award nor shall any award be made where (a)(1)(2) and (3) above have not been complied with; provided however, that if in any case the bidder cannot make the foregoing certification, the bidder shall so state and shall furnish with the bid a signed statement which sets forth in detail the reasons therefore. Where (a)(1)(2) and (3) above have not been complied with, the bid shall not be considered for award nor shall any award be made unless the head of the purchasing unit of the state, public department, or agency to which the bid is made, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

The fact that the bidder (a) has published price lists, rates, or tariffs covering items being procured, (b) has informed prospective customers of proposed or pending publication of new or revised price lists for such items or (c) has sold the same items to other customers at the same prices being bid, does not constitute, without more, a disclosure within the meaning of subparagraph one (a).

2. Any bid hereafter made to the state or any public department, agency, or official thereof by a corporate bidder for work or services performed or to be performed or goods sold or to be sold, where competitive bidding is required by statute, rule, or regulation, and where such bid contains the certification referred to in subdivision one of this section, shall be deemed to have been authorized by the board of directors of the bidder and such authorization shall be deemed to have included the signing and submission of the bid and the inclusion therein of the certificate as to non-collusion as the act and deed of the corporation."

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REQUIRED BY TITLE 23, U. S. CODE, AND SECTION 112. A NON-COLLUSIVE BIDDING CERTIFICATION MUST BE INCLUDED IN EVERY BID PROPOSAL REGARDLESS OF WHETHER NYSDOT SPECIFICATIONS OR LOCAL SPECIFICATIONS ARE USED.

(A) 2

"By submission of this bid, the bidder does hereby tender to the Owner this sworn statement pursuant to Section 1128 of Title 23, U. S. Code-Highways and does hereby certify, in conformance with said Section 112 of Title 23, U. S. Code-Highways that the said Contractor has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the above contract."

REQUIRED BY TITLE 49, CFR, VOLUME 1, SUBTITLE A, PART 29

"The signatory to the proposal, being duly sworn, certifies that, EXCEPT AS NOTED BELOW, his/her company and any person associated therewith in the capacity of owner, partner, director, officer, or major stockholder (of five percent or more ownership):

1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
2. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any Federal agency within the past three years;
3. Does not have a proposed debarment pending; and
4. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.

EXCEPTIONS: The Contractor should list any relevant information, attaching additional sheets to the proposal if necessary. (Exceptions will not necessarily result in disapproval, but will be considered in determining responsibility. For any exception noted, the Contractor should indicate to whom it applies, the initiating agency, and the dates of actions. Providing false information may result in criminal prosecution or administrative sanctions).

THESE MUST BE INCLUDED IN ALL FEDERAL AID CONTRACTS. HOWEVER, THE NYS COLLUSIVE BIDDING CERTIFICATION AND MANY IN USE BY LOCAL GOVERNMENTS ARE ALMOST IDENTICAL AND ARE ACCEPTABLE.

THE FOLLOWING PAGES ARE THE REQUIRED CERTIFICATION REGARDING NON-COLLUSIVE BIDDING PROCEDURES AND THE CONTRACTOR'S ELIGIBILITY TO SUBMIT A BID UNDER FEDERAL LAW. THE LAST PAGE IS A GENERAL BIDDER INFORMATION FORM. ALL SHOULD BE INCLUDED IN THE CONTRACT DOCUMENTS, IMMEDIATELY FOLLOWING THE PAGE(S) WHICH CONTAINS THE NON-COLLUSIVE BIDDING REQUIREMENTS. BY SIGNING ONE OF THESE CERTIFICATIONS, THE CONTRACTOR CERTIFIES THAT HE UNDERSTANDS AND AGREES TO BE BOUND BY THE PROVISIONS OF THE FOLLOWING LAWS:

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known to me to be described in and who executed the foregoing instrument, and that he/she acknowledged that he/she executed the same.

Notary Public

NON-COLLUSIVE BIDDING CERTIFICATION BIDDER INFORMATION

Bidder to provide information listed below:

Bidder Address: _____
Street or P. O. Box No.

City
_____ State ZIP

Federal Identification No.: _____

Name of Contact Person: _____

Phone # of Contact Person: _____

If Bidder is a Corporation:

President's Name & Address:

Secretary's Name & Address:

Treasurer's Name & Address:

If Bidder is a Partnership:

Partner's Name & Address:

Partner's Name & Address:

If Bidder is a Sole Proprietorship:

Owner's Name & Address:

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**REPORTING VIOLATIONS OF NON-COLLUSIVE BIDDING PROCEDURES,
MISCONDUCT, OR OTHER PROHIBITED CONTRACT ACTIVITIES**

U. S. DEPARTMENT OF TRANSPORTATION HOTLINE. Persons with knowledge of bid collusion (i.e., contractors, suppliers, workers, etc.) or other questionable contract related practices (inadequate materials, poor workmanship, theft of materials, etc.) are encouraged to report such activities by calling the U. S. D. O. T. HOTLINE. The HOTLINE number is 1-800-424-9071 and calls will be answered from 8:00 A.M. to 5:00 P.M. EST, Monday thru Friday. This HOTLINE is under the direction of the U.S.D.O.T.'s Inspector General. All information will be treated confidentially and the caller's anonymity will be respected.

NEW YORK STATE INSPECTOR GENERAL HOTLINE. Reports of New York State Governmental Misconduct may be made in strict confidence to the New York State Inspector General on the Toll Free Statewide HOTLINE or by writing to the Office of the Inspector General. The Toll Free Statewide HOTLINE telephone number is 1-800-367-4448 and calls will be answered between 8:00 A.M. and 4:30 P.M., Monday through Friday. The address of the Office of the State Inspector General is the State Capitol, Executive Chamber, Albany, New York 12224.

THIS IS REQUIRED IN ALL FEDERAL AID CONTRACTS.

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EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS
[SEE SECTION 102-11 OF THE
NEW YORK STATE
DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS]

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GOALS FOR MINORITY PARTICIPATION IN THE CONSTRUCTION INDUSTRY

COUNTY	% GOAL	COUNTY	% GOAL	COUNTY	% GOAL
Albany	3.2	Herkimer	2.1	Richmond	*
Allegany	3.3	Jefferson	2.5	Rochester	22.6
Broome	1.1	Kings	*	St. Lawrence	2.6
Bronx	*	Lewis	2.5	Saratoga	3.2
Cattaraugus	6.8	Livingston	5.3	Schenectady	3.2
Cayuga	2.5	Madison	3.8	Schuyler	2.6
Chautauque	8.3	Monroe	5.3	Schuylers	1.2
Chemung	2.2	Montgomery	3.2	Seneca	6.9
Chenango	1.2	Nassau	5.6	Steuben	1.2
Clinton	2.6	New York	*	Suffolk	6.8
Columbia	2.6	Niagara	7.7	Sullivan	17.0
Cortland	2.5	Oneida	2.1	Tioga	1.1
Delaware	1.2	Orondaga	3.8	Tompkins	1.2
Dutchess	6.4	Ontario	5.3	Ulster	17.0
Essex	7.7	Orange	17.0	Warren	2.6
Franklin	2.6	Orleans	5.3	Washington	2.6
Fulton	2.5	Oswego	3.6	Wayne	5.3
Genesee	2.6	Otsego	1.2	Westchester	22.6
Greene	6.9	Putnam	22.8	Wyoming	6.3
Hamilton	2.6	Queens	*	Yates	6.9
		Rensselaer	3.2		

* The following goal ranges are applicable to the indicated trades in the Counties of Bronx, Kings, New York, Queens, and Richmond:

Electricians.....	8.0 to 10.2
Carpenters.....	27.6 to 32.0
Steam Fitters.....	2.2 to 13.6
Metal Lathers.....	26.0 to 28.6
Operating Engineers.....	25.6 to 26.0
Plumbers.....	12.0 to 14.5
Iron Workers (Structural).....	25.9 to 32.0
Elevator Constructors.....	5.5 to 6.5
Bricklayers.....	13.4 to 15.5
Asbestos Workers.....	22.8 to 28.0
Roofers.....	5.3 to 7.5
Iron Workers (Ornamental).....	22.4 to 23.0
Cement Masons.....	23.0 to 27.0
Glaziers.....	16.0 to 20.0
Plasterers.....	15.8 to 18.0
Teamsters.....	22.0 to 22.6
Bollsmakers.....	13.0 to 15.5
All Others.....	16.4 to 17.5

GOALS FOR WOMEN

Female Goals - 6.9%

Goals for the utilization of women by Federal and Federally assisted construction contractors were last published on April 7, 1978 (43 CFR 4888, 149000). That April 7, 1978 publication included a 6.9% goal for the period from April 1, 1980 until March 31, 1981. Pursuant to 41 CFR 60-4.3, the 6.9% goal for female utilization is extended until further notice.

REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS

- I. General
- J. Nondiscrimination
- II. Nonsegregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- V. Subletting or Assigning the Contract
- VI. Safety: Accident Prevention
- VII. False Statements Concerning Highway Projects
- X. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

ATTACHMENTS

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (Included in Appalachian contracts only)

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

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3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 JSC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

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a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: 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, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment, and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities: The contractor must be familiar with the requirements for and comply with the Americans with

Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment: The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on Form FHWA-1301. The staffing data should

represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(p)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to

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such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. (1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

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(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program. Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.6(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the

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costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b. (1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/easa/whd/forms/wb347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency.

(2) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

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In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

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5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is proscribed in the U.S. Criminal Code, 18 U.S.C. 1001.

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(e) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or

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mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contacting agency shall, upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 535.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included

in this form if the prime contractor meets all of the following conditions:

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;
- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and

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to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 806 of the Clean Air Act.
2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more -- as defined in 2 CFR Parts 180 and 1200.

1. Instructions for Certification -- First Tier Participants:

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

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d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

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2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR

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Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<http://www.epls.gov/>), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-- Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it

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nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

ATTACHMENT A EMPLOYMENT AND MATERIALS PREFERENCE FOR APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS ROAD CONTRACTS

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This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

- a. To the extent that qualified persons regularly residing in the area are not available.
- b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.
- c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 28 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.

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CHAPTER 13

AFFIRMATIVE ACTION
CONTRACT REQUIREMENTS

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OVERVIEW OF CHAPTER 13 REVISIONS

Chapter 13 has been completely re-written to make the information more user friendly for local project sponsors and Regional Local Project Liaisons (RLPLs). The chapter has specific information regarding the federally mandated EEO and DBE programs only. **NOTE: The training requirement has been eliminated from all local projects.** However, the EEO requirement is still a federal mandate. We have provided the sponsors and the RLPLs with specific time frames with easy to follow checklists for the construction and the consultant programs. The procedures in this chapter follow the Department's established contract award and consultant designation processes.

Additionally, the chapter now references and includes all required contractual reporting forms for construction (13 forms) and consultant (8 forms) that shall be submitted by the contractor/consultant to the sponsor, then to the RLPL and finally to OEODC during specific times of the administration of the contract. Construction and Consultant Checklists and forms have been provided in the Appendices of this chapter.

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Chapter 13
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13.1 PURPOSE

This chapter serves to direct local sponsors of Federal-aid transportation projects through the contractual process in a manner consistent with United States Department of Transportation (USDOT) rules and regulations implementing the USDOT Disadvantaged Business Enterprise (DBE) program as mandated by Federal law. A DBE is any for-profit small business concern that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals, and whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

A socially and economically disadvantaged individual is a individual who is a citizen (or lawfully admitted permanent resident) of the United States, and who is:

1. Any individual who NYSDOT finds to be a socially and economically disadvantaged individual on a case-by-case basis.
2. Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged.
 - (i) "Black Americans", which includes persons having origins in any of the Black racial groups of Africa;
 - (ii) "Hispanic Americans", which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - (iii) "Native Americans", which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - (iv) "Asian-Pacific Americans", which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, or the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Mariana Islands, Macao, Fiji, Tonga, Kiribati, Juvaki, Nauru, Federated States of Micronesia, or Hong Kong;
 - (v) "Subcontinent Asian Americans", which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;



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(vi) Women;

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- (vii) Any additional groups whose members are designated as socially and economically disadvantaged by the Small Business Administration (SBA), at such time as the SBA designation becomes effective.

The New York State Department of Transportation (NYSDOT) is required to file a Disadvantaged Business Enterprise (DBE) participation plan with the FHWA each year which sets an overall, Statewide goal for Federal-aid highway and bridge contracts let in New York State. This includes Federal-aid contracts let by the New York State Thruway Authority, New York City DOT and other municipalities and public authorities.

13.2 BACKGROUND

The NYSDOT is a recipient of Federal financial assistance from the United States Department of Transportation within the State of New York. Therefore, according to Volume 49 of the Code of Federal Regulations, Part 26, as a condition of receiving Federal assistance for contracts let by local project sponsors, NYSDOT is required to establish procedures for local sponsors to follow to assure the sponsors comply with rules and regulations prescribed by 49 CFR, Part 26. The intent of the DBE program is to remedy discriminatory practices which have prevented DBEs from competing fairly for Federal-aid transportation contracts and sub-contracts.

The original concept to remedy historic discrimination was part of Title VI of the 1964 Civil Rights Act, as amended. Title VI of the Civil Rights Act of 1964, as amended, states that "no persons in the United States shall on the basis of race, color, or national origin be excluded from participation in, or be denied the benefits of or be subjected to discrimination under any program or activity receiving Federal financial assistance." In 1987, Congress further clarified the intent of Title VI to include all programs and activities of Federal-aid recipients whether those programs and activities are federally-funded or not. The DBE program was created in 1980 and has been continued under the Transportation Equity Act for the 21st Century (TEA 21). TEA 21 requires that the program be "narrowly tailored" so that small businesses (Ref: 13 CFR Part 121 and 49 CFR 26.65) in general, regardless of DBE status, are encouraged to participate on Federal-aid contracts.

13.3 EQUAL EMPLOYMENT OPPORTUNITY (EEO) POLICY STATEMENT

41 CFR Part 60 prohibits prime contractors and subcontractors, with contracts in excess of \$10,000 from discriminating in employment and requires these contractors to take steps to ensure that employees and applicants are treated equal without regard to race, color, religion, sex, or national origin.



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13.4 NYSDOT DBE CERTIFICATION POLICY

Only firms certified by NYSDOT as DBEs are eligible to be used by the project sponsor or the contractor in order to meet the DBE participation goal set on a Federally-aided contract. NYSDOT maintains a directory of firms eligible to participate as DBEs on Federal-aid contracts.

Although NYSDOT may certify a firm as a DBE, the Department's certification does not guarantee that the DBE will be awarded a contract or subcontract to participate on a Federal-aid project. The certification applies only to the DBE's eligibility to participate in the program under the Federal rules. Those firms not certified as DBEs with NYSDOT can obtain an application for DBE certification from the NYSDOT's Office of Equal Opportunity Development and Compliance (OEODC).

NYSDOT does not pre-qualify firms for contracts nor recommends particular firms to participate on any contract. 49CFR Section 26.31 mandates NYSDOT to "...maintain and make available to interested persons a directory identifying all firms eligible to participate as DBEs in [NYSDOT's] program." The NYSDOT directory, which is updated the first week of each month, can be located on NYSDOT's web page at:

<http://www.dot.state.ny.us/oeodc/menu.html>

If you do not have web access, please contact the OEODC Office at (518) 457-1129.

13.5 CONSTRUCTION CONTRACTS

13.5.1 DBE Requirements and Goals

A DBE participation goal must be established for locally sponsored Federal-aid construction contracts that meet the dollar threshold requirements.

For contracts with an engineer's estimate greater than one million dollars, the sponsor must contact the Regional Local Program Liaison (RLPL) to obtain the goals. The RLPL must utilize the Highway Design Manual, Chapter 21 to assign a goal for the project.

For contracts with an engineer's estimate less than one million dollars, no goals will be set.

13.5.2 NYSDOT DBE Pre-award and Post-award Analysis Process

To analyze a construction contract, it is recommended that the sponsor adopt NYSDOT's procedure. The sponsor is responsible for ensuring that the pre-award packages are complete and that good faith efforts have taken place to ensure that the DBE's goals "have been met." Pre-award packages must

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be submitted to the RLPL seven (7) days after bid opening. If the RLPL finds deficiencies in the package, then the sponsors must provide justification for the deficiencies prior to award of the contract. If the package is complete, then approval will be given by the RLPL, or his/her designee.

13.5.2.1 Sponsor's Responsibilities (Pre-Award)

The sponsor must perform the following:

Review pre-award package for completeness (a complete package includes Forms AAP-19 and AAPHC89s; see Appendices 13-1 and 13-2, respectively).

- Ensure all forms are signed and dated by the prime contractors and subcontractors.
- Ensure receipt of one AAP-19 from the prime contractor and one AAPHC-89 from each DBE subcontractor proposed.
- Check certification of firms proposed to perform the work items listed on the AAPHC-89 with NYS DOT Registry.

To ensure goals are met, the sponsor will need to subtract out the bid amounts for the cost of mobilization, telephone, computer, interim payment, any plant production, fuel adjustment, asphalt adjustment, "B" portion and any fixed price item. Goal attainment will be based on this adjusted figure.

If goals are met, the sponsor provides an award letter and a copy of the AAPHC-89 to the contractor with a copy to the subcontractor(s) and Regional Local Project Liaison (RLPL).

If goals were not met, the prime contractor must provide the following to the sponsor for the good faith effort package for review:

- Form AAP-10, Telephone Solicitation Log (see Appendix 13-3).
- Copies of letters sent to prospective DBE subcontractors.
- Copies of advertisements (i.e., Newspaper ads)

Upon receipt of the documentation, the sponsor must make a determination of whether the contractor has demonstrated a good faith effort to meet the goal. If attempts were made to show that good-faith efforts were performed, provide an award letter with a copy to the RLPL. The RLPL also gets a copy of the AAP-19 and AAPHC-89s. The sponsor will utilize this data in conjunction with other documentation noted throughout this chapter to monitor the contractor's compliance during the life of the contract.

NOTE: The final DBE percentage of participation on a contract will be calculated based on actual dollars paid to DBE firms divided by the total amount paid to the contractor for work done.



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13.5.2.2 Sponsor's Responsibilities (Post-Award)

The sponsor must perform the following:

Schedule a pre-construction meeting and confirm by letter (Notice of Pre-Construction meeting) to the contractor, their designated EEO Representative and the R.L.P.L.

At the pre-construction meeting, the sponsor must utilize Form AAPHC-183, Federal Requirements (see Appendix 13-4) as a guide, and review and discuss the following:

- AAP-19 - DBE Schedule of Utilization: this form is a prerequisite to contract award, and it provides a variety of information necessary to determine a good faith effort on the part of the prime contractor.
- AAPHC-89 - DBE Utilization Report: This form will indicate the firm numbers the subcontractors will be performing, estimated start date, bid amount, agreed amount, etc. For items marked as less than 100%, the sponsor obtains an explanation from the contractor as to what portion of work the DBE is actually performing.
- AAP Form On Site Designation: this form identifies the Project Site Representative and DBE Liaison Officer (see Appendix 13-5).
- CCS-22 - Notice of Unions and Others: this form gives notice that the project is a public contract in the State of New York and the contractor has agreed under the nondiscrimination clauses of the contract to abide by EEO provisions (see Appendix 13-6).
- AAP-35 - Workforce and Training Utilization Schedule: this form will give the sponsor the estimated average monthly contract work force for each trade for a calendar year. If there is a change in the workforce, the AAP-35 must be revised by the prime contractor and submitted to the sponsor for approval (see Appendix 13-7).
- AAP-21 - Prime Contractor's Report of Payment: this form verifies prompt payment was made to the subcontractor(s) (see Appendix 13-8).
- AAP33 - Monthly Employment Utilization Report: this form is prepared by the contractor and subcontractors to document their performance in attempting to meet the equal employment opportunity goals included in the contract. After the prime contractor receives all the subcontractor reports, a composite AAP-33 for the entire combined contract workforce must be submitted, every month, for the life of the contract (see Appendix 13-9).

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- FHWA 1391 - Prime contractors and subcontractors with a subcontract of \$10,000 or more that work on Federal-aid contracts must file Form 1391. This report is for work performed during the month of July. The prime contractor must submit one 1391 for their firm, one 1391 for each Subcontractor who was active during the month of July, and one 1391 composite of the entire project workforce for July. This form is due to the sponsor by the second Friday in August (see Appendix 13-10).
- FHWA 1392 - Form 1392 must be completed by the sponsor and is a composite of all 1391 data. To ensure compliance with FHWA reporting requirements, this form is due to the RLPL by the third Friday in August. After review, the 1392 with copies of the 1391 composites must be submitted to NYS DOT no later than the fourth Friday in August (see Appendix 13-11).

*****NOTE:** If the AAP-35 is not approved, no work shall occur until such time that it is accepted.

13.5.3 Training

Although training is a Federal requirement for recipients of Federal funds, sponsors of Local projects are not required to invoke training requirements due to the fact that NYS DOT did not include the Locally-let contracts in the Department's OJT Plan that was submitted to FHWA.

13.5.4. Contract Monitoring

13.5.4.1 Monthly Submittal/Forms and Revisions

Should any deviations from the originally approved AAP-19, Schedule of Utilization and AAPHC-89, DBE Utilization Report, take place after award, the sponsor will require the contractor to submit a revised AAP-19, and an AAPHC-89-1, Revised DBE Utilization Report (see Appendix 13-12), to the sponsor for approval.

On a monthly basis the sponsor should:

- Receive AAP-33: this form should be reviewed for conformance with EEO provisions. If deficiencies are noted, the sponsor sends a deficiency letter to the contractor requesting they address the issue of underutilization and what efforts the contractor will take to rectify the problem.
- Receive annotated certified payrolls to ensure individuals are receiving prevailing wage rates and all individuals listed on the payroll are on that specific project site.



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- Perform an on-site visit to ensure all DBE subcontractors listed on the AAPHC-89s are performing a commercially useful function (CUF); one in which a firm is responsible for execution of a distinct element of work on a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved.
- Perform a visual assessment of the workforce to ensure that the workforce is accurately reflected on the AAP-33.

The AAP-33 and certified payrolls must be retained by the sponsor for three (3) years after final acceptance of the project. The sponsor is responsible for the timely submission and accuracy of the payrolls and monthly AAP-33 reports.

13.5.4.2 Prompt Payment

The sponsor must ensure that all subcontractors are promptly paid by the prime contractor according to 49 CFR, Part 28.29, and include in the prime contractor's contract clauses, the following:

1. To pay the subcontractors within 15 days after receiving payment from the sponsor.
2. To pay retainage to all subcontractors within 45 days following satisfactory completion of the subcontracted work.

The assurance of prompt payment is monitored through the use of the AAP-21, Contractor Report of Contract Payments form. This form must be submitted by the contractor for all subcontractors/vendors by the fifteenth day of the month or when requested by the Department.

13.5.5 Reporting Requirements

The forms listed below are construction reporting requirements and are to be submitted to the R.L.P.L as noted. A copy of each form and instructions for completing them are provided in the Appendices to Chapter 13.

The sponsor shall submit to the R.L.P.L the following construction reporting forms:

- AAP-10: Telephone Solicitation Log (pre-award and when changing utilization.)
- AAP-19: Schedule of Utilization (submitted with all approved AAPHC-89s, as necessary, when any change to an approved AAP-19 takes place.)
- AAP-21: Prime Contractor Report of Contract Payments (submitted for each payment.)

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- FHWA 1391: Annual EEO Report
- FHWA 1392: Annual EEO Composite Report
- AAP-33: Monthly Employment Utilization Report (monthly requirement.)
- AAP-35: Workforce and Training Utilization Schedule (pre-award, as requested, and when there is significant change in the workforce.)
- AAPHC-89: Utilization Worksheet (submitted for each subcontractor at pre-award.)
- AAPHC-89-1: Revised Utilization Worksheet (submitted when any change to the approved AAPHC-89 takes place.)

13.5.6 Federal Reporting Requirements (Mandated)

13.5.6.1 USDOT Semi Annual Report - DBE Utilization

All local governments are responsible for completing this report (see Appendix 13-13) for each contract as well as a composite for each county. This report is due to the RLPL by the first Friday in November for the period April 1st to September 30th and the first Friday in May for the period October 1st to March 31st.

13.6 CONSULTANT CONTRACTS

13.6.1 DBE Requirements and Goals

Local sponsors entering into contracts for consulting services must comply with Federal rules and regulations regarding DBE participation. Sponsors are encouraged to solicit DBE participation on all consultant contracts. The Department encourages the sponsor to apply NYSDOT's DBE goal of up to 18% within the limitations of any project. All DBE participation reported to the sponsor on a contract will be credited toward the Department's race-neutral goal. For consultant selection procedures, refer to Chapter 6 of this Manual for guidance.

To determine if the DBE percentage has been met, the sponsor must calculate the direct technical labor of each DBE firm and then divide by the total direct technical labor of the agreement.

In order to provide all consultant designation information to the RLPL, the sponsor must provide documentation as indicated on the Consultant Designation Information Sheet (See Appendix 13-14). This form must be completed after all negotiations have taken place. It must be submitted for each designation or any time there is a revision to the original agreement. A revision includes any additional assignment of work or a supplement agreement.



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Upon receipt of the Consultant Designation Information Sheet, the RLPL will review the documentation and submit it to Main Office OEODC within seven (7) days of receipt. If there are any deficiencies in the package, then the RLPL must have the sponsor provide justification. When the package is complete, then approval shall be given to the sponsor by the RLPL or his/her designee.

13.6.2 Sponsor's Responsibilities

13.6.2.1 NYSDOT Designation Analysis Process

To analyze a consultant agreement, it is recommended that the sponsor adopt NYSDOT's procedure. The sponsor is responsible for ensuring consultant agreements are complete, good faith efforts have taken place, and DBE goals have been met. Designation packages must be submitted to the RLPL along with the completed Consultant Designation Information Sheet and copies of the scope meeting minutes.

The sponsor must perform the following:

- Send out scope meeting notification letters to the Prime, Subconsultant(s), designated EEO Representative(s) and the RLPL.
- The sponsor will conduct the scope meeting utilizing the Department's established procedure as documented in the Consultant Scope Meeting Script provided in Appendix 13-15.
- The sponsor will distribute the following forms to prime consultants:
 1. AAP-43: EEO Officer Designation (see Appendix 13-16)
 2. AAP-44: Subconsultant Division of Work (see Appendix 13-17)
 3. AAP-45: Subconsultant Evaluation Report (see Appendix 13-18)
 4. AAP-46: Consultant Engineers EEO Report (see Appendix 13-19)
 5. Schedule of Payment (see Appendix 13-20)

13.6.2.2 Monitoring Consultant Agreements for DBE Participation

The sponsor must perform the following:

- Ensure that all DBE firms are certified for proposed items of work.



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- Compare the Expression of Interest (EOI) with the negotiated agreement to ensure that DBE work assignments are consistent with the EOI.
- Ensure that the DBE participation reflects participation offered in the EOI.

13.6.2.3 Monitoring Consultant Agreement for Commercially Useful Function (CUF)

The sponsor must perform the following:

- Compare the EOI with the negotiated agreement to ensure that DBE work assignments are consistent with the EOI.
- Ensure that the DBEs are performing a distinct element of work and are in control of their operations.

13.6.2.4 Monitoring Forms

The sponsor must perform the following:

- Ensure that all required forms from the prime consultant and subconsultants have been submitted.
- Ensure that the minutes of the scope meeting have been received.

13.6.2.5 Monitoring Payment

The sponsor must ensure that all subconsultants are promptly paid by the prime consultant according to 49 CFR, Part 26.29, and include in the prime consultant's clauses the following:

- To pay the subconsultants within ten (10) days after receiving payment from the sponsor.
- Prior to processing a payment voucher, the sponsor must ensure that Form AAP-07 (see Appendix 13-21) is attached with all applicable documentation. If the package is complete, the sponsor should submit it to the RLPL.



PREPARED BY
NYS DOT

REVISED
MARCH 2002

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13.6.3 Federal Reporting Requirements (Mandated)

13.6.3.1 AAP-46: Consultant Engineers EEO Report

Prime consultants and subconsultants with a subcontract of \$10,000 or more that work on Federal-aid contracts, must file Form AAP-46 (see Appendix 13-19). This report is for work performed during the month of July. The prime consultant must submit one AAP-46 for their firm, one AAP-46 for each Subconsultant who was active during the month of July, and one AAP-46 composite of the entire project workforce for July. This form is due to the sponsor by the second Friday in August.

13.6.3.2 USDOT Semi-Annual Report - DBE Utilization

All Local governments are responsible for completing this report (see Appendix 13-13) for each contract as well as a composite for each county. This report is due to the RLPL by the first Friday in November for the period April 1st to September 30th and the first Friday in May for the period October 1st to March 31st.

13.7 REFERENCES

- Volume 23 of the Code of Federal Regulations, Part 230
- Volume 41 of the Code of Federal Regulations, Part 60
- Volume 49 of the Code of Federal Regulations, Part 26
- NYSDOT Standard Specifications
- NYSDOT Website @ <http://www.dot.state.ny.us>
- Consultant Instruction Code 96-11
- NYSDOT Highway Design Manual, Chapter 21

APPROVAL TO SUBCONTRACT

Contract No. 0	County(ies) 0	PIN 0	Project Sponsor 0	Date Submitted January 0, 1900
CONTRACTOR INFORMATION				
Name 0	Federal ID No. 0			
Address 1 0	Address 2 0			
City 0	State 0	Zip 00000	Telephone No. -	
SUBCONTRACTOR INFORMATION				
Name 0	Federal ID No. 0			
Address 1 0	Address 2 0			
City 0	State 0	Zip 00000	Telephone No. -	
Estimated Beginning Date 1/0/00		Estimated Completion Date 1/0/00		

The Prime Contractor shall inform the Sponsor's Engineer-in-Charge (EIC) of the dates when the Subcontractor starts and completes all work under the subcontract. When the work performed by the Subcontractor is included in an estimate for payment, labor affidavits, copies of payrolls, etc., are to be submitted in the same manner and numbers as required of the Prime Contractor. This approval may be rescinded at any time in the progress of the work if the Subcontractor is determined unsatisfactory.

No work may be assigned by the Subcontractor to a second tier Subcontractor. No work may be performed by a Subcontractor other than that specifically approved by the Sponsor. The signatories below agree that violations of the foregoing may result in no payment by the Sponsor for the related work.

No work shall be started by the Subcontractor prior to filing the required insurances. The Contractor and Subcontractor hereby certify that the subcontract is in writing, and contains all the pertinent provisions of the price contract in regard to Federal and State Laws and Regulations.

of 40E

Item No.	Contractor Signature	Name	Date	Subcontractor Signature	\$ Specialty	\$ Non-Specialty	Date
0			< Less Than 100%		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
0			0		\$0.00	\$0.00	
Totals					\$0.00	\$0.00	

The Subcontractor named above is authorized to perform work on the above noted contract for the items listed herein; however, a subcontract shall be of no force or effect until approved below.

BELOW FOR PROJECT SPONSOR USE ONLY

Original Total Contract Price (Less Specialty Items)	% Original Total Contract Price Approved This Date	Approval #
% Original Total Contract Price Previously Approved	% Original Total Contract Price Approved To Date	

Approved For Sponsor By (Name) _____ Date Approved _____

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

You have selected the For-Profit Construction questionnaire, commonly known as the "CCA-2," which may be printed and completed in this format or, for your convenience, may be completed online using the New York State Vendor System.

COMPLETION & CERTIFICATION

The person(s) completing the questionnaire must be knowledgeable about the vendor's business and operations. An owner or official must certify the questionnaire and the signature must be notarized.

NEW YORK STATE VENDOR IDENTIFICATION NUMBER (VENDOR ID)

The Vendor ID is a ten-digit identifier issued by New York State when the vendor is registered on the Statewide Vendor File. This number must now be included on the questionnaire. If the business entity has not obtained a Vendor ID, contact the IT Service Desk at ITServiceDesk@oss.state.ny.us or call 866-370-4672.

DEFINITIONS

All underlined terms are defined in the "New York State Vendor Responsibility Definitions List," found at <http://www.oss.state.ny.us/vendor/documents/questionnaire/definitions.pdf>. These terms may not have their ordinary, common or traditional meanings. Each vendor is strongly encouraged to read the respective definitions for any and all underlined terms. By submitting this questionnaire, the vendor agrees to be bound by the terms as defined in the "New York State Vendor Responsibility Definitions List" existing at the time of certification.

RESPONSES

Every question must be answered. Each response must provide all relevant information which can be obtained within the limits of the law. However, information regarding a determination or finding made in error which was subsequently corrected or overturned, and/or was withdrawn by the issuing government entity, is not required. Individuals and Sole Proprietors may use a Social Security Number but are encouraged to obtain and use a federal Employer Identification Number (EIN).

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT CONSTRUCTION (CCA-2)**

BUSINESS ENTITY INFORMATION				
Legal Business Name		EIN		
Address of the Principal Place of Business (street, city, state, zip code)		New York State Vendor Identification Number:		
		Telephone	Fax	
		ext.		
Website				
Authorized Contact for this Questionnaire				
Name		Telephone	Fax	
		ext.		
Title		Email		
Additional Business Entity Identities: If applicable, list any other <u>DBA</u> , <u>Trade Name</u> , <u>Former Name</u> , <u>Other Identity</u> , or <u>EIN</u> used in the last five (5) years, the state or county where filed and the status (active or inactive).				
Type	Name	EIN	State or County where filed	Status

I. BUSINESS CHARACTERISTICS				
1.0 Business Entity Type – Check appropriate box and provide additional information:				
a) <input type="checkbox"/> Corporation (including PC)	Date of Incorporation			
b) <input type="checkbox"/> Limited Liability Company (LLC or PLLC)	Date Organized			
c) <input type="checkbox"/> Limited Liability Partnership	Date of Registration			
d) <input type="checkbox"/> Limited Partnership	Date Established			
e) <input type="checkbox"/> General Partnership	Date Established	County (if formed in NYS)		
f) <input type="checkbox"/> Sole Proprietor	How many years in business?			
g) <input type="checkbox"/> Other	Date Established			
If Other, explain:				
1.1 Was the Business Entity formed in New York State?				<input type="checkbox"/> Yes <input type="checkbox"/> No
If "No," indicate jurisdiction where the Business Entity was formed:				
<input type="checkbox"/> United States	State			
<input type="checkbox"/> Other	Country			

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

1. BUSINESS CHARACTERISTICS

1.2 Is the Legal Business Entity publicly traded?

Yes No

If "Yes," provide the CIK code or Ticker Symbol:

1.3 Is the Business Entity currently registered to do business in New York State?

Yes No

Note: Select "Not Required" if the Business Entity is a Sole Proprietor or General Partnership.

Not Required

If "No," explain why the Business Entity is not required to be registered to do business in New York State:

1.4 Is the responding Business Entity a Joint Venture? *Note: If the submitting Business Entity is a Joint Venture, also submit a separate questionnaire for each Business Entity comprising the Joint Venture.*

Yes No

1.5 If the Business Entity's Principal Place of Business is not in New York State, does the Business Entity maintain an office in New York State?

Yes No

(Select "N/A" if Principal Place of Business is in New York State.)

N/A

If "Yes," provide the address and telephone number for one office located in New York State.

1.6 Is the Business Entity a New York State certified Minority-Owned Business Enterprise, or Women-Owned Business Enterprise, or New York State Small Business, or Federally certified Disadvantaged Business Enterprise?

Yes No

If "Yes," check all that apply:

- New York State certified Minority-Owned Business Enterprise (MBE)
- New York State certified Women-Owned Business Enterprise (WBE)
- New York State Small Business
- Federally certified Disadvantaged Business Enterprise (DBE)

1.7 Identify each person or business entity that is, or has been within the past five (5) years, Principal Owner of 5.0% or more of the firm's shares; a Business Entity Official; or one of the five largest shareholders, if applicable. *(Attach additional pages if necessary.)*

Joint Ventures: Provide information for all firms involved.

Name <i>(For each person, include middle initial)</i>	Title	Percentage of ownership <i>(Enter 0%, if not applicable)</i>	Employment status with the firm
			<input type="checkbox"/> Current <input type="checkbox"/> Former
			<input type="checkbox"/> Current <input type="checkbox"/> Former
			<input type="checkbox"/> Current <input type="checkbox"/> Former
			<input type="checkbox"/> Current <input type="checkbox"/> Former

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
FOR-PROFIT CONSTRUCTION (CCA-2)**

H. AFFILIATE and JOINT VENTURE RELATIONSHIPS		
2.0 Are there any other <u>construction</u> -related firms in which, now or in the past five years, the submitting <u>Business Entity</u> or any of the individuals or business entities listed in question 1.7 either owned or owns 5.0% or more of the shares of, or was or is one of the five largest shareholders or a director, officer, partner or proprietor of said other firm? <i>(Attach additional pages if necessary.)</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Firm/Company Name	Firm/Company EIN (If available)	Firm/Company's Primary Business Activity
Firm/Company Address		
Explain relationship with the firm and include percent of ownership, if applicable (enter N/A, if not applicable):		
Are there any shareholders, directors, officers, owners, partners or proprietors that the submitting <u>Business Entity</u> has in common with this firm?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Individual's Name <i>(Include middle initial)</i>	Position/Title with Firm/Company	
2.1 Does the <u>Business Entity</u> have any <u>construction</u> -related <u>affiliates</u> not identified in the response to question 2.0 above? <i>(Attach additional pages if necessary.)</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Affiliate Name	Affiliate EIN (If available)	Affiliate's Primary Business Activity
Affiliate Address		
Explain relationship with the affiliate and include percent of ownership, if applicable (enter N/A, if not applicable):		
Are there any shareholders, directors, officers, owners, partners or proprietors that the submitting <u>Business Entity</u> has in common with this affiliate?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Individual's Name <i>(Include middle initial)</i>	Position/Title with Firm/Company	
2.2 Has the <u>Business Entity</u> participated in any <u>construction</u> -related <u>Joint Ventures</u> within the past three (3) years? <i>(Attach additional pages if necessary.)</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
Joint Venture Name	Joint Ventures EIN (If available)	Identify parties to the Joint Venture

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

III. CONTRACT HISTORY

3.0 Has the Business Entity completed any construction contracts? Yes No

If "Yes," list the ten most recent construction contracts the Business Entity has completed using Attachment A - Completed Construction Contracts, found at www.psc.state.ny.us/vendors/documents/questionnaire/ac2252a.doc, if less than ten, include most recent subcontracts on projects up to that number.

3.1 Does the Business Entity, currently have uncompleted construction contracts? Yes No

If "Yes," list all current uncompleted construction contracts by using Attachment B - Uncompleted Construction Contracts, found at www.psc.state.ny.us/vendors/documents/questionnaire/ac2252b.doc.
Note: Ongoing projects must be included.

IV. INTEGRITY - CONTRACT BIDDING

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

4.0 Been suspended or barred from any government contracting process or been disqualified on any government procurement? Yes No

4.1 Been subject to a denial or revocation of a government prequalification? Yes No

4.2 Had any bid rejected by a government entity for lack of qualifications, responsibility or because of the submission of an informal, non-responsive or incomplete bid? Yes No

4.3 Had a proposed subcontract rejected by a government entity for lack of qualifications, responsibility or because of the submission of an informal, non-responsive or incomplete bid? Yes No

4.4 Had a low bid rejected on a government contract for failure to make good faith efforts on any Minority-Owned Business Enterprise, Women-Owned Business Enterprise or Disadvantaged Business Enterprise goal or statutory affirmative action requirements on a previously held contract? Yes No

4.5 Agreed to a voluntary exclusion from bidding/contracting with a government entity? Yes No

4.6 Initiated a request to withdraw a bid submitted to a government entity or made any claim of an error on a bid submitted to a government entity? Yes No

For each "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, project(s), relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer(s) below or attach additional sheets with numbered responses.

V. INTEGRITY - CONTRACT AWARD

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

5.0 Defaulted on, or been suspended, canceled or terminated for cause on any contract? Yes No

5.1 Been subject to an administrative proceeding or civil action seeking specific performance or restitution (except any disputed work proceeding) in connection with any government contract? Yes No

5.2 Entered into a formal monitoring agreement, consent decree or stipulation settlement as specified by, or agreed to with, any government entity? Yes No

5.3 Had its surety called upon to complete any contract whether government or private sector? Yes No

5.4 Forfeited all or part of a standby letter of credit in connection with any government contract? Yes No

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

V. INTEGRITY - CONTRACT AWARD

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

For each "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity/owners involved, project(s), contract number(s), relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer(s) below or attach additional sheets with numbered responses.

VI. CERTIFICATIONS/LICENSES

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

- | | |
|--|--|
| 6.0 Had a revocation or <u>suspension</u> of any business or professional permit and/or license? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6.1 Had a denial, decertification, revocation or forfeiture of New York State certification of <u>Minority-Owned Business Enterprise</u> , <u>Women-Owned Business Enterprise</u> or a federal certification of <u>Disadvantaged Business Enterprise</u> status, for other than a change of ownership? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

For each "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer(s) below or attach additional sheets with numbered responses.

VII. LEGAL PROCEEDINGS/GOVERNMENT INVESTIGATIONS

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

- | | |
|--|--|
| 7.0 Been the subject of a criminal <u>investigation</u> , whether open or closed, or an indictment for any business-related conduct constituting a crime under local, state or federal law? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.1 Been the subject of: | |
| (i.) An indictment, grant of immunity, <u>judgment</u> or conviction (including entering into a plea bargain) for conduct constituting a crime; or | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (ii.) Any criminal <u>investigation</u> , felony indictment or conviction concerning the formation of, or any business association with, an allegedly false or fraudulent <u>Minority-Owned Business Enterprise</u> , <u>Women-Owned Business Enterprise</u> , or a <u>Disadvantaged Business Enterprise</u> ? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.2 Received any <u>OSHA</u> citation, which resulted in a final determination classified as <u>serious</u> or <u>willful</u> ? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.3 Had a <u>government entity</u> find a willful prevailing wage or supplemental payment violation? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.4 Had a New York State Labor Law violation deemed willful? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7.5 Entered into a consent order with the New York State Department of Environmental Conservation, or a federal, state or local government enforcement determination involving a violation of <u>federal</u> , state or local environmental laws? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

VII. LEGAL PROCEEDINGS/GOVERNMENT INVESTIGATIONS

Within the past five (5) years, has the Business Entity, an affiliate, or any predecessor company or entity:

7.6 Other than previously disclosed, been the subject of any suites, notices or violation orders; a pending administrative hearing, proceeding or determination of a violation of:

- Federal, state or local health laws, rules or regulations;
- Federal, state or local environmental laws, rules or regulations;
- Unemployment insurance or workers compensation coverage or glum requirements;
- Any labor law or regulation, which was deemed willful;
- Employee Retirement Income Security Act (ERISA);
- Federal, state or local human rights laws;
- Federal, state or local security laws?

Yes No

*For each "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer(s) below or attach additional sheets with numbered responses.
Note: Information regarding a determination or finding made in error, which was subsequently corrected or overturned, and/or was withdrawn by the issuing government entity, is not required.*

VIII. LEADERSHIP INTEGRITY

If the Business Entity is a Joint Venture Entity, answer "N/A - Not Applicable" to questions in this section.

Within the past five (5) years has any individual previously identified or any individual currently or formerly having the authority to sign, execute or approve bids, proposals, contracts or supporting documentation on behalf of the Business Entity with any government entity been:

8.0 Sanctioned relative to any business or professional permit and/or license?

Yes No

8.1 Suspended, debarred or disqualified from any government contracting process?

N/A

8.2 The subject of a criminal investigation, whether open or closed, or an indictment for any business-related conduct constituting a crime under local, state or federal law?

Yes No

N/A

8.3 Charged with a misdemeanor or felony, indicted, granted immunity, convicted of a crime or subject to a judgment for:

- (i) Any business-related activity, including but not limited to fraud, coercion, extortion, bribe or bribe-receiving, giving or accepting unlawful gratuities, immigration or tax fraud, racketeering, mail fraud, wire fraud, price-fixing or collusive bidding; or
- (ii) Any crime, whether or not business-related, the underlying conduct of which related to truthfulness, including but not limited to the filing of false documents or false sworn statements, perjury or larceny

Yes No

N/A

For each "Yes," provide an explanation of the issue(s), the individual involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer(s) below or attach additional sheets with numbered responses.

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

IX. FINANCIAL AND ORGANIZATIONAL CAPACITY		
9.0 Within the past five (5) years, has the <u>Business Entity</u> or any <u>affiliate</u> received any <u>formal unsatisfactory performance assessment(s)</u> from any <u>government entity</u> on any contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>If "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, the government entity involved, relevant dates, any remedial or corrective action(s) taken and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.</i>		
9.1 Within the past five (5) years, has the <u>Business Entity</u> or any <u>affiliate</u> had any <u>liquidated damages</u> assessed over \$25,000?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>If "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the contracting party involved, the amount assessed and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.</i>		
9.2 Within the past five (5) years, has the <u>Business Entity</u> or any <u>affiliate</u> had any <u>liens, claims or judgments</u> over \$25,000 filed against the <u>Business Entity</u> which remain undischarged or were unsatisfied for more than 90 days? (Note: including but not limited to tax warrants or liens. Do not include UCC filings.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>If "Yes," provide an explanation of the issue(s), the Business Entity involved, the relationship to the submitting Business Entity, relevant dates, the Lien holder or Claimants' name(s), the amount of the lien(s) and the current status of the issue(s). Provide answer below or attach additional sheets with numbered responses.</i>		
9.3 In the last seven (7) years, has the <u>Business Entity</u> or any <u>affiliate</u> initiated or been the subject of any bankruptcy proceedings, whether or not closed, or is any bankruptcy proceeding pending?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<i>If "Yes," provide the Business Entity involved, the relationship to the submitting Business Entity, the bankruptcy chapter number, the court name and the docket number. Indicate the current status of the proceedings as "Initiated," "Pending" or "Closed." Provide answer below or attach additional sheets with numbered responses.</i>		
9.4 What is the <u>Business Entity's</u> Bonding Capacity?		
a. Single Project	b. Aggregate (All Projects)	
9.5 List <u>Business Entity's</u> Gross Sales for the previous three (3) Fiscal Years:		
1st Year (Indicate year) Gross Sales	2nd Year (Indicate year) Gross Sales	3rd Year (Indicate year) Gross Sales
9.6 List <u>Business Entity's</u> Average Backlog for the previous three (3) fiscal years: (Estimated total value of uncompleted work on outstanding contracts)		
1st Year (Indicate year) Amount	2nd Year (Indicate year) Amount	3rd Year (Indicate year) Amount
9.7 Attach <u>Business Entity's</u> most recent annual <u>financial statement</u> and accompanying notes or complete Attachment C - Financial Information, found at www.nys.state.ny.us/endorp/documents/questionnaire32908.xls . (This information must be attached.)		

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

X. FREEDOM OF INFORMATION LAW (FOIL)

<p>10.0 Indicate whether any information provided herein is believed to be exempt from disclosure under the Freedom of Information Law (FOIL).</p> <p><i>Note: A determination of whether such information is exempt from FOIL will be made at the time of any request for disclosure under FOIL. Attach additional pages if necessary.</i></p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
---	---

If "Yes," indicate the question number(s) and explain the basis for the claim.

NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE FOR-PROFIT CONSTRUCTION (CCA-2)

Certification

The undersigned: (1) recognizes that this questionnaire is submitted for the express purpose of assisting New York State government entities (including the Office of the State Comptroller (OSC)) in making responsibility determinations regarding award or approval of a contract or subcontract and that such government entities will rely on information disclosed in the questionnaire in making responsibility determinations; (2) acknowledges that the New York State government entities and OSC may, in their discretion, by means which they may choose, verify the truth and accuracy of all statements made herein; and (3) acknowledges that intentional submission of false or misleading information may result in criminal penalties under State and/or Federal Law, as well as a finding of non-responsibility, contract suspension or contract termination.

The undersigned certifies that he/she:

- is knowledgeable about the submitting Business Entity's business and operations;
- has read and understands all of the questions contained in the questionnaire;
- has not altered the content of the questionnaire in any manner;
- has reviewed and/or supplied full and complete responses to each question;
- to the best of his/her knowledge, information and belief, confirms that the Business Entity's responses are true, accurate and complete, including all attachments, if applicable;
- understands that New York State government entities will rely on the information disclosed in the questionnaire when entering into a contract with the Business Entity; and
- is under an obligation to update the information provided herein to include any material changes to the Business Entity's responses at the time of bid/proposal submission through the contract award notification, and may be required to update the information at the request of the New York State government entities or OSC prior to the award and/or approval of a contract, or during the term of the contract.

Signature of Owner/Official _____
 Printed Name of Signatory _____
 Title _____
 Name of Business _____
 Address _____
 City, State, Zip _____

Sworn to before me this _____ day of _____, 20____;

Notary Public

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT A - COMPLETED CONSTRUCTION CONTRACTS**

Vendor Name:

NYS Vendor ID:

Question 3.0: List the ten most recent construction contracts the Business Entity has completed. If less than ten, include most recent subcontracts on projects up to that number:

Agency/Owner	Contract No.	Prime or Sub	Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
1. Agency/Owner			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Contact Person			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Contract No.			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Agency/Owner			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Contact Person			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Contract No.			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Agency/Owner			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Contact Person			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Contract No.			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Agency/Owner			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Contact Person			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Contract No.			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Agency/Owner			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable
Contact Person			Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	Date Completed
Contract No.			Joint Venture (JV) Name, if applicable				EIN of JV, if applicable

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT A -- COMPLETED CONSTRUCTION CONTRACTS**

NYS Vendor ID: _____

Vendor Name:	List the ten most recent construction contracts the Business Entity has completed. If less than ten, include most recent subcontracts on projects up to that number.																	
Agency/Owner	Contract No.	Prime or Sub	Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	EIN of JV, if applicable	Date Completed	Agency/Owner	Contract No.	Prime or Sub	Telephone No.	Designer Architect and/or Design Engineer	Award Date	Amount	EIN of JV, if applicable	Date Completed	
6.																		
7.																		
8.																		
9.																		
10.																		

NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT B - UNCOMPLETED CONSTRUCTION CONTRACTS

Vendor Name:

NYS Vendor ID:

Question 3.1: List all current uncompleted construction contracts

1. Agency/Owner		Telephone No.		Award Date		Completion Date	
Contract Person		Designer Architect and/or Design Engineer					
Contract No.		Prime or Sub		Total Contract Amount		EIN of JV, if applicable	
		Joint Venture (JV) Name, if applicable		Amount Subject to others		Uncompleted Amount	
2. Agency/Owner		Telephone No.		Award Date		Completion Date	
Contract Person		Designer Architect and/or Design Engineer					
Contract No.		Prime or Sub		Total Contract Amount		EIN of JV, if applicable	
		Joint Venture (JV) Name, if applicable		Amount Subject to others		Uncompleted Amount	
3. Agency/Owner		Telephone No.		Award Date		Completion Date	
Contract Person		Designer Architect and/or Design Engineer					
Contract No.		Prime or Sub		Total Contract Amount		EIN of JV, if applicable	
		Joint Venture (JV) Name, if applicable		Amount Subject to others		Uncompleted Amount	
4. Agency/Owner		Telephone No.		Award Date		Completion Date	
Contract Person		Designer Architect and/or Design Engineer					
Contract No.		Prime or Sub		Total Contract Amount		EIN of JV, if applicable	
		Joint Venture (JV) Name, if applicable		Amount Subject to others		Uncompleted Amount	

**NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT B – UNCOMPLETED CONSTRUCTION CONTRACTS**

NYS Vendor ID: _____

Vendor Name: _____

Question 3.1: List all current uncompleted construction contracts:

Agency/Owner	Contract Person	Contract No.	Prime or Sub	Telephone No.	Designer Architect and/or Design Engineer	Award Date	Completion Date
5.					Joint Venture (JV) Name, if applicable	Uncompleted Amount	FIN of JV, if applicable
					Total Contract Amount	Award Date	Completion Date
					Amount Subject to others		
6.					Designer Architect and/or Design Engineer	Uncompleted Amount	FIN of JV, if applicable
					Joint Venture (JV) Name, if applicable	Uncompleted Amount	Completion Date
					Total Contract Amount	Award Date	
					Amount Subject to others		
7.					Designer Architect and/or Design Engineer	Uncompleted Amount	FIN of JV, if applicable
					Joint Venture (JV) Name, if applicable	Uncompleted Amount	Completion Date
					Total Contract Amount	Award Date	
					Amount Subject to others		
8.					Designer Architect and/or Design Engineer	Uncompleted Amount	FIN of JV, if applicable
					Joint Venture (JV) Name, if applicable	Uncompleted Amount	Completion Date
					Total Contract Amount	Award Date	
					Amount Subject to others		

NEW YORK STATE
VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT B – UNCOMPLETED CONSTRUCTION CONTRACTS

Vendor Name:

NYS Vendor ID:

Question 3.1: List all current uncompleted construction contracts:

9. Agency/Owner		Contract Person		Telephone No.	Designer Architect and/or Design Engineer	Award Date	Completion Date
Contract No.	Firm or Sub	Firm or Sub		Joint Venture (JV) Name, if applicable	Total Contract Amount	Amount Sublet to others	EIN of JV, if applicable
10.	Agency/Owner	Contract Person	Contract No.	Telephone No.	Designer Architect and/or Design Engineer	Award Date	Completion Date
				Joint Venture (JV) Name, if applicable	Total Contract Amount	Amount Sublet to others	EIN of JV, if applicable
						Grand Total All Uncompleted Contracts	
						\$0.00	

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT C - FINANCIAL INFORMATION**

NYS Vendor ID: _____

As of Date: _____

ASSETS

Current Assets

1. Cash	\$	_____	
2. Accounts receivable - less allowance for doubtful accounts	\$	_____	
Retainers included in accounts receivable	\$	_____	
Claims included in accounts receivable not yet approved or in litigation	\$	_____	
Total Accounts Receivable	\$	_____	
3. Notes receivable - due within one year	\$	_____	
4. Inventory - materials	\$	_____	
5. Contract costs in excess of billings on uncompleted contracts	\$	_____	
6. Accrued income receivable			
Interest	\$	_____	
Other (list) _____	\$	_____	
_____	\$	_____	
Total Accrued Income Receivable	\$	_____	
7. Deposits			
Bid and Plan _____	\$	_____	
Other (list) _____	\$	_____	
_____	\$	_____	
Total Deposits	\$	_____	
8. Prepaid Expenses			
Income Taxes	\$	_____	
Insurance	\$	_____	
Other (list) _____	\$	_____	
_____	\$	_____	
Total Prepaid Expenses	\$	_____	
9. Other Current Assets			
Other (list) _____	\$	_____	
_____	\$	_____	
Total Other Current Assets	\$	_____	\$ _____
10. Total Current Assets			\$ _____
11. Investments			
Listed securities-present market value	\$	_____	
Unlisted securities-present value	\$	_____	\$ _____
Total Investments			

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT C - FINANCIAL INFORMATION**

NYS Vendor ID: _____

12. Fixed Assets

Land	\$ _____	-
Building and improvements	\$ _____	-
Leasehold improvements	\$ _____	-
Machinery and equipment	\$ _____	-
Automotive equipment	\$ _____	-
Office furniture and fixtures	\$ _____	-
Other (list) _____	\$ _____	-
Total	\$ _____	-
Less: Accumulated depreciation	\$ _____	-
Total Fixed Assets - Net	\$ _____	-

\$ _____
\$ _____
\$ _____

13. Other Assets

Loans receivable	\$ _____	-
Officers	\$ _____	-
Employees	\$ _____	-
Shareholders	\$ _____	-
Cash surrender value of officers' life insurance	\$ _____	-
Organization expense - net of amortization	\$ _____	-
Notes receivable - due after one year	\$ _____	-
Other (list) _____	\$ _____	-
Total Other Assets	\$ _____	-

\$ _____
\$ _____

14. TOTAL ASSETS

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT C - FINANCIAL INFORMATION**

NYS Vendor ID: _____

LIABILITIES

Current Liabilities

- 15. Accounts payable \$ _____
- 16 a. Loans from shareholders - due within one year \$ _____
- 16 b. Other Loans - due within one year \$ _____
- 17. Notes payable - due within one year \$ _____
- 18. Mortgage payable - due within one year \$ _____
- 19. Other payables - due within one year

Other (list) _____
\$ _____

Total Other Payables - due within one year \$ _____

- 20. Billings in excess of costs and estimated earnings \$ _____
- 21. Accrued expenses payable
 - Salaries and wages \$ _____
 - Payroll taxes \$ _____
 - Employees' benefits \$ _____
 - Insurance \$ _____
 - Other \$ _____

Total Accrued Expenses Payable \$ _____

- 22. Dividends payable \$ _____
- 23. Income taxes payable
 - State \$ _____
 - Federal \$ _____
 - Other \$ _____

Total Income Taxes Payable \$ _____

- 24. Total current liabilities \$ _____
- 25. Deferred income taxes payable
 - State \$ _____
 - Federal \$ _____
 - Other \$ _____

Total Deferred Income Taxes \$ _____

- 26. Long Term Liabilities
 - Loans from shareholders - due after one year \$ _____
 - Other Loans - due within one year
 - Principle \$ _____
 - Interest \$ _____
 - Notes payable - due after one year \$ _____
 - Mortgages - due after one year \$ _____
 - Other payables - due after one year \$ _____
 - Other (list) _____ \$ _____

Total Long Term Liabilities \$ _____

**NEW YORK STATE VENDOR RESPONSIBILITY QUESTIONNAIRE
ATTACHMENT C - FINANCIAL INFORMATION**

NYS Vendor ID: _____

27. Other Liabilities

Other (Net) _____

\$ _____

Total Other Liabilities _____

\$ _____

28. TOTAL LIABILITIES

\$ _____

\$ _____

NET WORTH

29. Net Worth (If proprietorship or partnership)

\$ _____

30. Stockholders' Equity

Common stock issued and outstanding

\$ _____

Preferred stock issued and outstanding

\$ _____

Retained earnings

\$ _____

Total

\$ _____

Less: Treasury stock

\$ _____

31. TOTAL STOCKHOLDERS' EQUITY

\$ _____

32. TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$ _____





COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2015, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator? If yes, to what campaign committee?

NONE

2- VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Vendor: Welsbach Electric Corp. of L.I.

Signed: [Signature]

Print Name: Joseph P. Florio

Title: President / C.E.O.

Dated: April 5, 2015





Certified: --

E-68-22

Filed with the Clerk of the
Nassau County Legislature
June 10, 2022 3:21PM

NIFS ID: CLPD22000004

Capital:

Contract ID #: CQPD16000001

NIFS Entry Date: 02/11/2022

Department: Police Dept.

Service: License Plate Reader Maintenance

Term: from 08/01/2021 to 07/31/2022

Contract Delayed: X

Slip Type: Amendment		
CRP:		
Time Extension:		
Addl. Funds:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: Selex ES Inc DBA: ELSAG, Leonardo	ID#: 980353098
Main Address: 4221 Tudor Lane Greensboro, NC 27410	
Main Contact: Stephanie Pluchino	
Main Phone: (845) 490-1381	

Department:
Contact Name: Jaclyn Delle
Address: 1 West Street Mineola, NY 11501
Phone: (516) 571-3054
Email: jdelle1@nassaucountyny.gov

Contract Summary

Purpose: This is an amendment to extend a contract for services related to the Department's license plate readers. The purpose of the amendment is to extend the term of the contract for one (1) additional year and increase the maximum amount to pay for extended warranty coverage for the Department's stock of license plate readers.
Method of Procurement: Contract amendment. Please see procurement history below.
Procurement History: The contractor was selected as a sole source provider. The Department's stock of license plate readers are a proprietary system for hardware and software. ELSAGE is the sole manufacturer of its automated license plate reader equipment. The software includes proprietary features that allow the license plate reader units to report into the County's server for effective data sharing.
Description of General Provisions: Contractor provides extended warranty coverage for license plate reader hardware and

software.

Impact on Funding / Price Analysis: \$145,484.75 increase to the maximum amount of the contract. With this increase, the new maximum amount is \$966,222.75.

Change in Contract from Prior Procurement: N/A

Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
PDH	10	1560	DE	PDPDH1560	DE500	PDPDH1560 DE500	05	\$145,484.75
TOTAL								\$145,484.75

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$145,484.75
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$145,484.75

Routing Slip

Department			
NIFS Entry	Jaclyn Delle	04/21/2022 10:55AM	Approved
NIFS Final Approval	Jaclyn Delle	04/21/2022 11:04AM	Approved
Final Approval	Jaclyn Delle	04/21/2022 11:04AM	Approved
County Attorney			
Approval as to Form	Jaclyn Delle	04/21/2022 03:33PM	Approved
RE & Insurance Verification	Andrew Amato	04/21/2022 11:21AM	Approved
NIFS Approval	Daniel Gregware	04/21/2022 05:05PM	Approved
Final Approval	Daniel Gregware	04/21/2022 05:05PM	Approved
OMB			
NIFS Approval	Jeff Nogid	04/21/2022 11:43AM	Approved
NIFA Approval	Irfan Qureshi	04/26/2022 09:24AM	Approved
Final Approval	Irfan Qureshi	04/26/2022 09:24AM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Ari Schulman	04/26/2022 12:06PM	Approved
DCE Compliance Approval	Robert Cleary	05/03/2022 05:36PM	Approved
Vertical DCE Approval	Arthur Walsh	05/17/2022 01:30PM	Approved
Final Approval	Arthur Walsh	05/17/2022 01:30PM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/10/2022 03:11PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY POLICE DEPARTMENT, AND SELEX ES, INC D/B/A ELSAG

WHEREAS, the County has negotiated an amendment to a personal services agreement with Selex ES, Inc. d/b/a ELSAG to provide maintenance and support related to license plate recognition services, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said amendment to an agreement with Selex ES, Inc. d/b/a ELSAG.

AMENDMENT NO. 3

AMENDMENT (together with any appendices or exhibits hereto, this "Amendment") dated as of the date that this Amendment is executed by Nassau County (the "Effective Date"), between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the Nassau County Police Department, having its principal office at 1490 Franklin Avenue, Mineola, New York, 11501 (the "Department") and (ii) Selex ES Inc., d/b/a ELSAG, a North Carolina corporation authorized to do business in the State of New York, having its principal office at 205 H Creek Ridge Road, Greensboro, NC 27406 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number **COPD16000001** between the County and the Contractor, executed on behalf of the County on January 25, 2016, as amended by amendment one (1), County contract amendment number **CLPD17000005**, executed on behalf of the County on May 24, 2017, and amendment two (2), County contract amendment number CLPD18000010, executed on behalf of the County on July 12, 2019 (the "Original Agreement"), the Contractor provides license plate recognition ("LPR") support and maintenance services, which are more fully described in the Original Agreement (the services contemplated by the Original Agreement, the "Services"); and

WHEREAS, the term of the Original Agreement was from August 1, 2015 until July 31, 2021, unless sooner terminated in accordance with the provisions of such agreement (the "Term"); and

WHEREAS, the Maximum Amount that the County agreed to reimburse the Contractor for Services under the Original Agreement was not to exceed Eight Hundred Twenty Thousand Seven Hundred Thirty-eight Dollars (\$820,738.00) (the "Maximum Amount"); and

WHEREAS, the Department is desirous of amending the Original Agreement to extend the Original Term, add certain services, and increase the Maximum Amount.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Term. The Term of the Original Agreement shall be extended by one (1) year, so that the termination date of the Original Agreement, as amended by this Amendment (the "Amended Agreement"), shall be July 31, 2022.

2. Services. Paragraph 2 of the Original Agreement is amended to expand the Services to include costs for extended warranty coverage as described in the quote attached herein as "Appendix D" and made a part hereof.

3. Maximum Amount. (a)(i) The Maximum Amount in the Original Agreement shall be increased by **One Hundred Forty-five Thousand Four Hundred Eighty-four Dollars and Seventy-five Cents (\$145,484.75)** ("Amendment 3 Maximum Amount"), so that the maximum amount that the County shall pay to the Contractor as full consideration for all Services provided under the Amended Agreement shall be Nine Hundred Sixty-six Thousand Two Hundred Twenty-two Dollars and Seventy-five Cents (\$966,222.75) ("Amended Maximum Amount").

4. Full Force and Effect. All terms and conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the Amended Agreement.

[Remainder of Page Left Intentionally Blank.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

Selex ES Inc., d/b/a ELSAG

By: 
Name: Barry G. Dilks
Title: VP Finance
Date: 8/19/21

NASSAU COUNTY

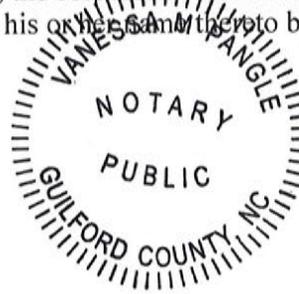
By: _____
Name: _____
Title: Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK

North Carolina
STATE OF ~~NEW YORK~~
Guilford)ss.:
COUNTY OF ~~NASSAU~~)

On the 19th day of August in the year 2021 before me personally came Barry G. Dilks to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Guilford; that he or she is the VP Finance of Selex ES Inc., the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

NOTARY PUBLIC Vanessa M. Pangle
My Commission Expires 1-27-2024

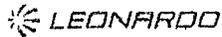


STATE OF NEW YORK)
)ss.:
COUNTY OF NASSAU)

On the ___ day of _____ in the year 20__ before me personally came _____ to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of _____; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC

Appendix D



Selex ES, Inc
 Elsag ALPR/ANPR Solutions
 4221 Tudor Lane
 Greensboro, NC 27410
 DUNS#: 198749777
 FED TAX ID: 980363098

QUOTE

Prepared By: Tracy Brown tracy.brown@leonardocompany-us.com

Phone:

Please include the quote number on your purchase orders and email them to orders@leonardocompany-us.com for processing

Quote#: 23247	Quote Date: 5/6/2021
Funding Source:	Quote Expiry Date: 8/31/2021
Grant Details:	Requested Delivery Date: 7/31/2021
Payment Method:	Rate Sheet: HIRE Price
Terms: Net 30 days from date of shipment. If installation is required then Net 30 days from the Installation Date. Elsag agrees not to ship equipment until an Installation Date is agreed upon by the Parties. All orders shipped FOB Greensboro	
Make checks payable to Selex ES, Inc.	

Contracts: NYS OGS Hazardous Incident Response Equipment (HIRE) Award #23173 Contract #PC69032 Expires May 31, 2025

Comments: Hardware warranty coverage period being quoted: 8/1/21 to 7/31/22

ADM3s and Mini Splits are now software only coverage due to the availability of parts

PUMAS are not being covered at all

Pole cams with ADM3 parts are now software only

Bill To:	Nassau County Police Department 1490 Franklin Avenue Mineola, NY 11501 United States	Ship To:	Public Safety Center Sgt Tom Schroh 1194 Prospect Ave Westbury, NY 11590 United States
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Product Qty	Product/Service	Unit Price	Amount
9	520001-FCU-Standard - 1 Year Standard Hardware & Software Extended Warranty FCU Standard <i>Volume Discount</i> FH FCUs	\$610.00	\$5,490.00 <i>(\$274.50)</i>
17	520001-Fixed - 1 Year Standard Hardware & Software Extended Warranty Fixed Camera <i>Volume Discount</i> FH fixed cams	\$1,120.00	\$19,040.00 <i>(\$952.00)</i>
11	520001-MOBILE-2 - 1 Year Standard Hardware & Software Extended Warranty Two Camera System <i>Volume Discount</i> M6 units	\$1,720.00	\$18,920.00 <i>(\$946.00)</i>

Product Qty	Product/Service	Unit Price	Amount
1	520001-Covert - 1 Year Standard Hardware & Software Extended Warranty Covert System <i>Volume Discount</i> Covert pole cam	\$1,995.00	\$1,995.00 (<i>\$99.75</i>)
24	520004-SOFTWARE-ONLY - Annual Support, SW Upgrades & Hotlists This includes the pole cams that have ADM3 equipment.	\$995.00	\$23,880.00
32	520001-MOBILE-2 - 1 Year Standard Hardware & Software Extended Warranty Two Camera System <i>Volume Discount</i> 29 Mini Splits and 3 Splits (Warranty coverage is 1.5 times the normal rate of \$1,720.00 due to limited availability of parts.)	\$2,580.00	\$82,560.00 (<i>\$4,128.00</i>)
Subtotals	Goods & Services Sub-total (Pre-tax): Contract Items Goods & Services Sub-total (Pre-Tax): Non Contract Items		\$145,484.75 \$0.00
Upfront	Goods & Services Sub-total (Pre-tax):		\$145,484.75
Tax	Tax Exempt		\$0.00
Total	Goods & Services Total:		\$145,484.75



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Selex ES Inc

2. Amount requiring NIFA approval: \$145,484.75

Amount to be encumbered: \$145,484.75

Slip Type: Amendment

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: 08/01/2021 to 07/31/2022

Has work or services on this contract commenced? Yes

If yes, please explain: Contractor continuing these important services as contract amendment is routed through approvals.

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

This is an amendment to extend a contract for services related to the Department's license plate readers. The purpose of the amendment is to extend the term of the contract for one (1) additional year and increase the maximum amount to pay for extended warranty coverage for the Department's stock of license plate readers.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
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AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

04/26/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Jack Schnirman
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Selex ES d/b/a ELSAG

CONTRACTOR ADDRESS: 4221 Tudor Lane, Greensboro NC 27410

FEDERAL TAX ID #: [REDACTED]

Instructions: Please check the appropriate box (“”) after one of the following roman numerals, and provide all the requested information.

I. The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids. The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. The contractor was selected pursuant to a Request for Proposals. The Contract was entered into after a written request for proposals was issued on _____ [date]. Potential proposers were made aware of the availability of the RFP by advertisement in _____ [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on _____ [date]. _____ [state #] proposals were received and evaluated. The evaluation committee consisted of: _____

_____ (list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on 1/25/2016 [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after the vendor was selected as a sole source provider. The License Plate Readers that are the subject of this contract are a proprietary system for hardware and software. Selex ES d/b/a ELSAG is the sole manufacturer of its Automated License Plate Reader (ALPR) equipment. [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**
- B. The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

D. Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.


Department Head Signature

2/15/2022

Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Barry Dilks [BARRY.DILKS@LEONARDOCOMPANY-US.COM]

Dated: 02/16/2022 01:40:33 PM

Vendor: SELEX ES Inc.

Title: VP Finance

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 08/02/2021

1) Proposer's Legal Name: Selex ES Inc.

2) Address of Place of Business: 4221 Tudor Lane

City: Greensboro State/Province/Territory: NC Zip/Postal Code: 27410

Country: US

Address: 205 H. Creek Ridge Road

City: Greensboro State/Province/Territory: NC Zip/Postal Code: 27406

Country: US

Start Date: 26-SEP-07 End Date: 14-JUL-17

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: (336) 379-7135

Does the business own or rent its facilities? Rent _____ If other, please provide details: _____

4) Dun and Bradstreet number: 198749777

5) Federal I.D. Number: ██████████

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?

YES NO If yes, please provide details: _____

8) Does this business control one or more other businesses?

YES NO If yes, please provide details:

- 9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

Selex ES Inc. is a subsidiary of Leonardo SpA, based in Rome, Italy. Selex operates as a separate line of business and entity, and Leonardo will not take part in the performance of this contract.

- 10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

- 11) Has the proposer, during the past seven years, been declared bankrupt?

YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

- 12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

- 14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau

County.

No conflict exists

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

Current procedure is for single points of contact for Sales and Contract Management to review potential conflicts and relevant obligations prior to contract execution.

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

06/11/2001

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

Willem Nieuwkerk, CEO

[REDACTED]

Jason Laquatra, President and General Manager

[REDACTED]

Barry Dilks, Vice President of Finance

[REDACTED]

Gary Stevens, CFO

[REDACTED]

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

Willem Nieuwkerk, Gary Stevens, Francesco Noranto (Board of Directors)

Francesco Norante is located at:

Leonardo SpA
[REDACTED]

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

DE

v) The number of employees in the firm;

160

vi) Annual revenue of firm;

[REDACTED]

vii) Summary of relevant accomplishments

I am attaching a document that details some of our other LPR projects: Lower Manhattan Security Initiative (LMSI), National Capital Region Project, New York Division of Criminal Justice Services State Wide LPR Program, and the New York State Police program.

1 File(s) Uploaded: Nassau County_References.docx

viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

20

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

Please refer to attached file in section vii

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	Nassau County Police Department		
Contact Person	Sgt. Thomas Schroh		
Address	1194 Prospect Ave		
City	Westbury	State/Province/Territory	NY
Country	US		
Telephone	(516) 573-8667		
Fax #			
E-Mail Address	tschroh@pcdn.org		

Company	Hempstead Police Department		
Contact Person	Lt. Kevin Colgan		
Address	99 Jamer A. Garner Way		
City	Hempstead	State/Province/Territory	NY
Country	US		
Telephone	(516) 478-6426		

Fax # _____
E-Mail Address kcolgan@hempsteadpd.com

Company Suffolk Police Department
Contact Person Ed Hammer
Address 30 Yaphank Ave
City Yaphank State/Province/Territory NY
Country US
Telephone (631) 852-6629
Fax # _____
E-Mail Address edward.hammer@suffolkcountyny.gov

I, Tracy Brown , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Tracy Brown , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Selex ES Inc.

Electronically signed and certified at the date and time indicated by:
Tracy Brown [TRACY.BROWN@LEONARDOCOMPANY-US.COM]

Warranty Operations Manager
Title

02/16/2022 01:03:51 PM
Date

January 3, 2019

Selex ES Inc. a Leonardo Company

Selex ES Inc. (Selex), is the legal subsidiary of the fully owned Leonardo Company. ELSAG is the product branding for our automatic license plate recognition (ALPR) systems. Selex manufactures the ELSAG MPH-900 LPR systems and its propriety software. Selex ALPR systems are manufactured in Greensboro, NC along with our help desk headquarters out of Greensboro, NC. Selex's local technicians are hired and trained to be onsite for technical support. A. Relevant Experience:

#1 Lower Manhattan Security Initiative (LMSI)

Population: 8.3 million

Implementation Date: May 2008

Duration: Major installation was completed in 12 months, ELASG continues to manage and add systems as required by LMSI each year.

Products: MPH-900 and FPH-900

The New York City Police Department (NYPD) Lower Manhattan Security Initiative (LMSI) is a city-wide security program intended to increase surveillance and security in New York City (NYC) funded by the Department of Homeland Security (DHS). The LMSI is based on integration of counterterrorism technologies, including closed circuit televisions (CCTVs); chemical, biological, radiological, and nuclear detectors; street barriers; and license plate readers (LPRs). Selex was chosen to develop a large-scale LPR system, including mobile and fixed LPRs, which was integrated into the current NYPD's Information infrastructure. Selex worked closely with the NYPD and the associate contractors to ensure that multiple independent solutions work seamlessly and simultaneously within a single management and control infrastructure.

Selex provided 30 vehicle-based LPR systems and 86 fixed LPR systems located throughout Lower Manhattan. The cameras are connected to a set of local field control units that store and manage data and include automated communication capabilities continually exchanging data with central servers. The vehicle-based LPR and fixed LPR systems are integrated into a single collection, query, and reporting system tied to a custom set of alarms.

Selex was required to install LPR system in a complex urban infrastructure. To install fixed camera units, Selex had to replace many light poles and associated subterranean ballast blocks. Selex coordinated with the New York State Department of Transportation (DOT), NYC DOT, utilities, unions, licensed contractors, and other regulatory and law enforcement agencies in the city. Selex also conducted site surveys on the Brooklyn Bridge, Battery Tunnel, and other historic sites throughout NYC, as required, to meet contract requirements.

Relevancy of Work Performed

- Successful deployment and integration of Fixed Lane Dual Use and Mobile LPR systems into a larger network.
- Site surveys and site design documentation
- Central management and monitoring capability for data storage and analysis ➤ Follow-on warranty and customer support services

Demonstrated Quality of Work

- Integrated system seamlessly into existing security monitoring network
- System design allowed information sharing with other local and Federal agencies
- All components/systems installed on time and within budget
- All components/system elements passed comprehensive acceptance

#2 National Capital Region Project

Population: 6 million

Implementation Date: October 2010

Duration: Major installation was completed in 6 months, ELASG continues to manage and add systems as required by NCR

Products: MPH-900 and FPH-900

An initiative of the US Department of Homeland Security, the National Capital Region Project is a 31 agency multi- jurisdictional security project surrounding the nation’s Capital. These agencies include all municipalities of the following areas:

- The City of Alexandria
- Arlington County
- The District of Columbia
- Fairfax County
- Loudoun County
- Montgomery County
- Prince George's County
- Prince William County

Selex was contracted to deploy both mobile and fixed cameras throughout the geographic landscape of the jurisdictions. In total, over 100 fixed cameras have been installed in MD/DC/VA and 180 more will be complete by the end of 2011. Servers at each jurisdiction are networked together via NCRNet, a fiber connection between jurisdictions. Statewide servers are in place with Maryland State Police with over 100 cameras reporting to the Maryland Crime Analysis Center and soon Virginia State Police will have a similarly configured statewide server. The Maryland Governors' Office supported the purchase of

additional fixed systems for the University of Maryland and BWI Airport as a result of the success of NCR.

Relevancy of Work Performed

- Successful deployment and integration of Fixed Systems into a larger network involving 31 jurisdictions.
- Site surveys and site design documentation
- Central management and monitoring capability for data storage and analysis ➤ Follow-on warranty and customer support services

Demonstrated Quality of Work

- Integrated system seamlessly into existing security monitoring network
- System design allowed information sharing with other local and Federal agencies
- All components/systems installed on time and within budget
- All components/system elements passed comprehensive acceptance

#3 New York Division of Criminal Justice Services State Wide License Plate Reader (LPR) Program

Population: 20 million

Implementation Date: 2008, 2009, 2010

Duration: Three years, three individual rounds of purchases

Products: MPH-900 and FPH-900

Selex deployed a wide range of mobile and fixed LPR cameras, including magnetic/transportable units, permanently installed units, fixed cameras, and covert units, across New York State for the New York

Selex ES Inc., a Leonardo Company

Kansas Office (Corporate Headquarters)

11300 W, 89th Street

Overland Park, KS 66214 USA

2600 Tel +1 877 773 5724

www.leonardocompany-us.com

North Carolina Office

4221 Tudor Lane

Greensboro, NC 27410 USA

Tel +1 845 278 5425

New York Office

7 Sutton Place

Brewster, NY 10509 USA Tel +1 913 495

info@leonardocompany-us.com



State Division of Criminal Justice Services (NYS DCJS). Selex deployed mobile LPRs throughout the state to a diverse group of law enforcement agencies in a coordinated effort to combat vehicular crime and promote highway safety. Over 300 agencies in New York, including the largest police department in the world (NYPD), every County Sheriff's Office, every agency in high drug and auto crime areas, probation offices, and even small towns along drug routes, have received LPRs in a coordinated program to reduce crime, improve officer safety and ensure compliance with traffic and insurance laws.

Every square foot of New York State is covered by an agency with an LPR unit. The implementation is so broad that on a typical drive across the state, a vehicle can easily come across a plate reader-equipped police car five or more times. The units are deployed in the local department's vehicle using the existing PC/laptop and integrated into their local systems. Data is distributed state-wide using existing infrastructure. The units use a state-specific set of alarm classes including stolen vehicles, stolen plates, wanted persons, suspended registrations, registered sex offenders, immigration violators, and individuals on supervised release. This data further improves officer safety by providing important information in advance of a traffic stop.

Relevancy of Work Performed

- Large scale deployment of LPR systems, integrated into an information network that allows data collection, storage, and analyses in support of criminal justice organization
- Site surveys, site design documentation, installation, and integration with legacy components
- On-site training and comprehensive acceptance testing
- Warranty maintenance and follow-on customer support services

Demonstrated Quality of Work

The implementation of this project has had a measurable statewide impact on stolen vehicle recovery rates (down 21 percent), and vehicle and traffic law arrests (up 24 percent). Selex demonstrated an ability to implement an advanced software management system controlling LPR systems/computers in police cars without requiring computer reconfiguration and without interfering with the in-place mobile computer-aided dispatch system or records management systems. System software operates in a wide range of communication infrastructures, firewalls, and networks across the state.

#4 New York State Police

Population: 20 million

Implementation Date: October 2005

Technology Update: June 2013

Duration: Major installation was completed within 6 months, ELASG continues to manage and add systems as required by NYSP



Products: MPH-900

Selex implemented a state-wide mobile License Plate Reader (LPR) system for the New York State Police (NYSP), resulting in the deployment of 100 mobile LPR units. Selex provided equipment, installation and follow-on support, integration engineering services, training, and integration of LPR systems into diverse networks.

Selex installed the LPRs in patrol and unmarked vehicles across the state and the systems are tied to a central data distribution and collection system. Cameras and processors were carefully mounted in the trunk to maximize trunk space and safety. Selex worked with the NYSP Fleet Managers to integrate the installation process into the existing workflow for new vehicles. Each step in the installation process was reviewed to ensure minimal impact on the vehicle availability.

Selex integrated the LPR 2-way data flow directly into the existing automated processes of the NYSP's current system (TraCs CAD and RMS), minimizing the impact on the police's standard shift procedures. NYSP continues to see outstanding LPR results daily and is a model for efficient and effective LPR implementation on a widely distributed geographic force.

In June of 2013, NYSP added an additional 40 mobile camera systems, fixed cameras at three sites, and upgraded their back-office system to the newest release to EOC. In 2016, NYSP added 75 additional mobile units to their fleet and installed quarterly through 2017.

Relevancy of Work Performed

- Deployed and integrated 100 Mobile LPR systems within an existing state-wide communications network, similar in size and scope to the CBP LPR system
- Site surveys and site designs, component/system installation, on-site systems integration ➤ Customized interfaces into existing FBI data flow and data transmission infrastructure.
- On-site training and formal acceptance testing
- Follow-on warranty maintenance and support services

Demonstrated Quality of Work

- This fixed-price contract was completed on time and within budget.
- Systems and components passed acceptance testing and are in use today. The project provided a dramatic and measurable increase in law enforcement effectiveness through a focused LPR



enabled capability, resulting in hundreds of stolen vehicle recoveries and a measurable reduction in suspended registrations and uninsured vehicle operation.

- In 2008 alone, the system was credited with direct responsibility for more than 16,000 VTL arrests, 70 felony convictions, and 77 additional wanted person apprehensions.

NYSP continues to expand the program and has repeatedly called on Selex support strategic and tactical planning efforts for patrol and special operations. Selex also developed covert models and approaches that have improved police safety and resulted in high profile convictions

- i) Date of Formation 1991
- ii) Name, address and position of persons having financial interest in company, including shareholders, members, general or limited partner
Leonardo SpA

Via Tiburtina Km 12.400

Rome, Italy 00131
- iii) Name/address and position of all officers/directors of company
Marco Buratti , Aldo Paggi, Willem Nieuwkerk and Massimiliano Veltroni

(all of these individuals are employees of Leonardo SpA)
- iv) State of incorporation if applicable
Delaware, United States (Selex ES Inc.)
- v) Number of employees in the firm
145
- vi) Annual revenue of firm
\$54.9M (2017)

B. 28 Years

C. Selex focuses on License Plate Reader technology and related software.

D. References:

Captain Andrew Crowe Andrew.Crowe@troopers.ny.gov
(518)786-2106
New York State Police
1120 Washington Ave
Albany, NY 12226



Lieutenant Fred Webber frederick.webber@suffolkcountyny.gov
631-852-6629
Police Technology Bureau
Suffolk County Police Department
30 Yaphank Ave, Yaphank, NY 11980

Andrew Calvo ACalvo@mcsonj.org
732-431-6400
Technology Director
Monmouth County Sheriff's Office
2500 Kozloski Road Freehold,
NJ 07728

Sincerely,

A handwritten signature in black ink that reads "Stephanie Pluchino". The signature is written in a cursive, flowing style.

Stephanie Pluchino
Northeast Field Operations Manager
Stephanie.pluchino@leonardocompany-us.com

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Gary Stevens , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Gary Stevens , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Selex ES Inc

Name of submitting business

Electronically signed and certified at the date and time indicated by:
Gary Stevens [GARY.STEVENS@LEONARDOCOMPANY-US.COM]

Chief Financial Officer

Title

02/18/2022 10:01:26 AM

Date

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Willem J Nieuwkerk , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Willem J Nieuwkerk , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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Selex ES, Inc

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Willem J Nieuwkerk [BILL.NIEUWKERK@LEONARDOCOMPANY-US.COM]

President, GM

Title

02/18/2022 09:17:25 AM

Date

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

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YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

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YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

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YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Jason Laquatra , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Jason Laquatra , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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Selex ES Inc

Name of submitting business

Electronically signed and certified at the date and time indicated by:
Jason Laquatra [JASON.LAQUATRA@LEONARDOCOMPANY-US.COM]

General Manager

Title

02/17/2022 12:13:47 PM

Date

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

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- a. Been debarred by any government agency from entering into contracts with that agency?
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YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Barry Dilks , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Barry Dilks , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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SELEX ES Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by:
Barry Dilks [BARRY.DILKS@LEONARDOCOMPANY-US.COM]

VP Finance

Title

02/16/2022 01:43:31 PM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Selex ES Inc.

Address: 4221 Tudor Lane

City: Greensboro State/Province/Territory: NC Zip/Postal Code: 27410

Country: US

2. Entity's Vendor Identification Number: [REDACTED]

3. Type of Business: Closely Held Corp (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded Selex ES Inc. _Officers And Board Members.docx

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

Selex ES Inc. is wholly owned by Leonardo International SpA.

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

Selex ES Inc. is a subsidiary of Leonardo SpA based in Rome, Italy. Selex operates as a separate line of business and entity, and Leonardo will not take part in the performance of this contract.

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

N/A

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

N/A

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

N/A

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
Tracy Brown [TRACY.BROWN@LEONARDOCOMPANY-US.COM]

Dated: 02/16/2022 01:01:36 PM

Title: Warranty Operations Manager

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

Willem Nieuwkerk, CEO

██████████
██████████████████

Jason Laquatra, President and General Manager

██████████
██████████████████

Barry Dilks, Vice President of Finance

██████████
██████████████████

Gary Stevens, CFO

██████████████████
██████████████████

iii) Name, address and position of all officers and directors of the company

If none, explain.

Willem Nieuwkerk, Gary Stevens, Francesco Norante (Board of Directors)

Francesco Norante is located at:

Leonardo SpA

██
██



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
02/23/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)

PRODUCER Aon Risk Services, Inc. of Washington, D.C. 2001 K Street NW Suite 625 N Washington DC 20006 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS:		
INSURED Selex ES, Inc 4221 Tudor Lane Greensboro NC 27410 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Indian Harbor Insurance Company		36940
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES **CERTIFICATE NUMBER:** 570091705601 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PA D CLA MS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			US00012087LI21A	07/01/2021	07/01/2022	EACH OCCURRENCE \$5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP Any one person \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$5,000,000 PRODUCTS - COMP/OP AGG \$5,000,000 Hired & Non-Owned Auto Included
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION						EACH OCCURRENCE AGGREGATE
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR PARTNER EXECUTIVE OFFICER MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 County of Nassau is included as Additional Insured in accordance with the policy provisions of the General Liability policy.

CERTIFICATE HOLDER**CANCELLATION**

County of Nassau 1 West Street Mineola NY 11501 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Inc. of Washington D.C.</i>

Holder Identifier :

Certificate No : 570091705601



COUNTY OF NASSAU

INTER-DEPARTMENTAL MEMO

DATE: April 21, 2022

TO: Robert Cleary, Chief Procurement & Compliance
Officer

FROM: Police Department

SUBJECT: **COUNTY AMENDMENT NUMBER CLPD22000004**
SELEX ES INC. – DELAY MEMO

This item is an amendment to a contract for services related to the Police Department's license plate reader system. The purpose of the amendment is to extend the original term of the contract for one (1) additional year and increase the maximum amount by \$145,484.75, to pay for extended warranty coverage.

The contract amendment was delayed in order to utilize funding from the County's 2022 budget, which was not available for encumbrance until after the extended term start date. Once the 2022 funding was made available, there was an additional short delay while the contractor updated their vendor disclosure forms (which had expired) and provided current certificates of insurance.

Prepared by:

Jaclyn Delle

OCA Jaclyn Delle

Attorney – Legal Bureau

AMENDMENT NO. 2

AMENDMENT (together with any appendices or exhibits hereto, this "Amendment") dated as of the date that this Amendment is executed by Nassau County (the "Effective Date"), between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the Nassau County Police Department, having its principal office at 1490 Franklin Avenue, Mineola, New York, 11501 (the "Department") and (ii) Selex ES Inc., d/b/a ELSAG, a North Carolina corporation authorized to do business in the State of New York, having its principal office at 205 H Creek Ridge Road, Greensboro, NC 27406 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number COPD16000001 between the County and the Contractor, executed on behalf of the County on January 25, 2016, as amended by amendment one (1), County contract amendment number CLPD17000005, executed on behalf of the County on May 24, 2017 (the "Original Agreement"), the Contractor performs license plate recognition ("LPR") support and maintenance services, which are more fully described in the Original Agreement (the services contemplated by the Original Agreement, the "Services"); and

WHEREAS, the term of the Original Agreement was from August 1, 2015 until July 31, 2018, unless sooner terminated in accordance with the provisions of such agreement, provided, however, that the County may renew the Original Agreement under the same terms and conditions for two (2) additional one (1) year periods (the "Term"); and

WHEREAS, the Maximum Amount that the County agreed to reimburse the Contractor for Services under the Original Agreement was not to exceed Three Hundred Sixty Thousand Four Hundred and Thirty-Nine Dollars (\$360,439.00) (the "Maximum Amount"); and

WHEREAS, the Department is desirous of amending the Original Agreement to extend the Original Term, add certain services and increase the Maximum Amount; and

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Term. The Term of the Original Agreement shall be extended by three (3) years, so that the termination date of the Original Agreement, as amended by this Amendment (the "Amended Agreement"), shall be July 31, 2021.

2. Services. Paragraph 2 of the Original Agreement is amended to expand the Services to include costs for extended warranty coverage as described in the Statement of Work attached herein as "Appendix C" and made a part hereof.

3. Maximum Amount. (a)(i) The Maximum Amount in the Original Agreement shall be increased by **Four Hundred Sixty Thousand Two Hundred Ninety-nine Dollars (\$460,299.00)** (“Amendment 2 Maximum Amount”), so that the maximum amount that the County shall pay to the Contractor as full consideration for all Services provided under the Amended Agreement shall be **Eight Hundred Twenty Thousand Seven Hundred Thirty-eight Dollars (\$820,738.00)** (“Amended Maximum Amount”). (ii) The increase under this Amendment 2 shall be payable for warranty terms as follows:

- **Warranty Year 8/1/2018 – 7/31/2019 \$153,433.00**
- **Warranty Year 8/1/2019 – 7/31/2020 \$153,433.00**
- **Warranty Year 8/1/2020 – 7/31/2021 \$153,433.00**

(b) The Contractor acknowledges that the County will partially encumber funds to be applied toward the Amendment 2 Maximum Amount throughout the term of this Agreement. The Contractor further acknowledges that the first encumbrance shall be **One Hundred Fifty-three Thousand Four Hundred Thirty-three Dollars (\$153,433.00)** for Warranty Year term 8/1/2018 – 7/31/2019 set forth in paragraph 3(a)(ii) above. Thereafter, the Department shall notify the Contractor of the availability of additional monies, which written notice shall include the amount encumbered. Such notification shall serve as notice to proceed.

4. Compliance with Law. *The following sections shall be added to the Original Agreement Section 6 “Compliance with Law:*

(i) Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a “County Representative”), including members of a County Representative’s immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, “anything of value” shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(j) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County’s Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

5. Full Force and Effect. All terms and conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the Amended Agreement.

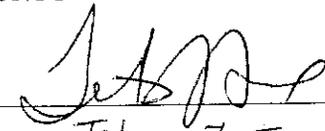
[Remainder of Page Left Intentionally Blank.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

Selex ES Inc., d/b/a ELSAG

By: 
Name: Barry G. Dilks
Title: V. P. Finance
Date: 12/21/2018

NASSAU COUNTY

By: 
Name: Tatum J. Fox
Title: Deputy County Executive
Date: 7/12/19

PLEASE EXECUTE IN BLUE INK

North Carolina
STATE OF ~~NEW YORK~~)

)ss.:
Guilford
COUNTY OF ~~NASSAU~~)

On the 21st day of December in the year 2018 before me personally came Barry G. Dilks to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Guilford; that he or she is the V.P. of Finance of Selex ES Inc dba Eltag, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

NOTARY PUBLIC

Kim A. Wagner-Evans

Kim A Wagner-Evans
NOTARY PUBLIC
Forsyth County, NC

Exp. 7.12.22

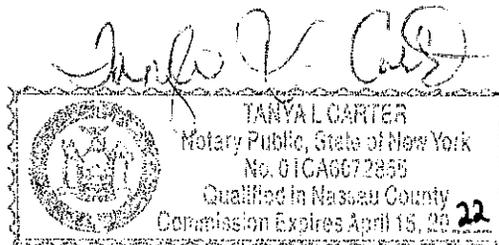
STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the 12 day of July in the year 2019 before me personally came Tatum J. Fox to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Nassau; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC



Appendix C



July 16, 2018

Sergeant Thomas Schroh
Nassau County Police Department
1490 Franklin Ave.
Mineola, NY 11501

Statement of Work

Section 1.0

Selex ES Inc. (Selex), Nassau County, NY, on behalf of the Nassau County Police Department (NCPD, or Customer), have agreed to renew the current Contract for Services, expiring July 31, 2018, for another three-years of coverage ending on July 31, 2021. The Statement of Work describes this Extended Warranty coverage and related services provided by Selex during this term of coverage.

This Statement of Work (SOW) serves as an addendum to the Selex Extended Warranty Terms and Conditions (Standard Warranty), the terms of which are incorporated herein as Standard Warranty Document. For any conflict in terms, this Statement of Work shall take precedence over the Standard Warranty.

The services in this SOW reflect two types of Warranty coverage: full warranty for most of the ALPR systems as listed in Attachment A, and software-only coverage for those Puma legacy systems as listed. The full warranty includes all repairs and replacements on hardware plus software, firmware and protocol updates and remote 24/7 help desk support. The software only warranty is for software, firmware, and protocol updates, and remote 24/7 help desk support only, and excludes hardware repairs and replacements.

Note that for each new ALPR purchase, a one-year manufacturer's Standard Warranty is included in the price and includes hardware, software and 24/7 Help Desk support, with an option to extended warranty coverage at then-current rates for those systems.

Cost and Payment:

Nassau County Police Department will enter into a Services contract with Selex, with annual payments for Warranty coverage of the ALPR system serial numbers and products as listed in Attachment A.

Selex, ES Inc, a Leonardo Company www.leonardocompany-us.com
4221 Tudor Lane
Greensboro, NC 27410
Main: +1 336-379-7135



The total cost for renewal is \$460,299 with an annual payment amount of \$153,433. The annual payment must be received at the beginning of each year commencing August 1, 2018, or the NCPD will be subject to standard Labor rates for any services provided.

Terms of Coverage:

Warranty coverage as part of this SOW includes repairs and replacements of ALPR hardware (camera and related equipment), software updates, firmware updates and protocol updates. For full warranty terms of coverage see Standard Warranty Document.

Telephone Support and Remote Diagnostics: NCPD has access to the 24/7 Help Desk support line. To ensure that the product is repaired as quickly and efficiently as possible, NCPD must first work cooperatively with Selex Telephone Support to try and repair the ALPR system. Selex may request remote access for troubleshooting which can assist with diagnosing problems. When applicable, NCPD will allow remote access to a Selex Technician.

Hardware Repair and Replacement (for ALPR systems except legacy Puma systems): If defective hardware is identified, NCPD will be provided RGA paperwork to ship the ALPR product to the Selex manufacturing facility. The repair team will work to correct the problem and return the hardware to NCPD as soon as possible.

Personal Computer Replacement: PCs, as a third-party COTS component of many ALPR systems, are not typically covered under the Selex Standard Warranty. However, as part of this Extended Warranty SOW for Nassau County PD, Selex agrees to replace PCs in the systems as listed in Attachment 1, if the ALPR system is malfunctioning due to a PC manufacturing defect. PC repair and replacement will not include issues related to software updates nor general PC performance that is not a direct result of a manufacturing defect. NCPD shall initiate a service ticket, and work with a Selex technician to diagnose PC issues; the Selex technician will determine if a replacement is required.

Software Coverage (for all ALPR systems) Software coverage includes the following:

Software: The Selex software development team actively improves and develops our software to meet customer needs and demands. Car System and EOC updates are released throughout the year as new features are added or software bugs are fixed.

Firmware Updates: Firmware upgrades are similar to software updates, in that they fix bugs, add or remove features, and improve performance; but these updates are directly tied to the hardware device. If a firmware update is released, a warranty customer has access to this update.



Protocol Updates: As new license plates are released within a state, Selex will update the state protocol to ensure plates continue to be read with a high capture and accuracy rate.

Warranty Coverage Exclusions

Replacement of ALPR system cables are excluded from this SOW for Warranty coverage after first year of deployment. This SOW also excludes reinstallation services such as onsite reinstalls of hardware to vehicles, required mounts and cables for reinstalls, software reinstalls, server software reinstalls and removing of gear both fixed and mobile.

All ALPR diagnostics must first be tested by our remote Help Desk support prior to next steps being determined. The Help Desk may request parts to be shipped to the Selex facility for internal diagnostics and repairs.

Reinstalls to new vehicles are also not covered under this contract since each Install requires varying configurations. For example, reinstalls may require new mounts depending on the vehicle type. Also, older model ALPR systems will require new flat camera cables to be compatible with the Ford Taurus and Chevy Caprice. The SUV Explorer requires a new mount that screws into the roof (semi-transportable) and the Tahoe's installs are only compatible with AD3M and Mini Split systems with magnet-based mounts.

These services will be priced in accordance with the Labor rates as listed below. A complete list of all parts that may be required for future purchases outside of the warranty coverage is attached.

Labor:

The onsite Selex technician rate for an uninstall/reinstall is \$640 per vehicle (\$160 per hour – 4 hours).

The onsite technician rate for one full day is \$1,250 (2 vehicles to be reinstalled)

Estimated Costs for Mounts and Cables on Reinstalls of Puma, AD3M and Mini Split Systems and M6 systems

PUMA Perm to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
Transportable Puma Cables	410090	2	\$ 415	\$ 830
Hedley Mount – Puma	420069-P	2	\$ 185	\$ 370
			Total	\$ 1,200
Puma Transportable Sedan to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
Transportable Puma Cables	410090	2	\$ 415	\$ 830
			Total	\$830
Puma Transportable Sedan to SUV Explorer	Part #	Quantity	Unit Price	Total
Interceptor SUV Mount	421699	2	\$ 205	\$ 410



			Total	\$ 410
AD3M Perm Install to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Hedley	420069	2	\$ 185	\$ 370
				\$ 1,230
AD3M Transportable Install to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
				\$ 860
AD3M Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Interceptor SUV mount	421742	2	\$ 220	\$ 440
				\$ 1,300
AD3M Transportable Install to Tahoe	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Magnet mount	420075	2	\$ 130	\$ 260
				1,120
Mini Split Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable (optional)	412519-16	2	\$ 490	\$ 980
Interceptor SUV	421699	2	\$ 205	\$ 410
				\$ 1,390
Mini Split Transportable Install to Tahoe	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable	412519-16	2	\$ 490	\$ 980
Magnet Mounts	421627	2	\$ 150	\$ 300
				\$ 1,280

M6 Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable	412519-16	2	\$490	\$980
Other Possible Gear Required	Part #	Quantity	Unit Price	Total
12 Ft Tran Camera Cable	412519-12	1	\$430	\$430
M6 Universal Mount	421812	1	\$265	\$265
Ethernet Cable AD3M	410318	1	\$115	\$115
Ethernet Shielded	410052	1	\$25	\$25
Full Power/Opus Kit Permanent	421608	1	\$525	\$525



Permanent Power	412149	1	\$140	\$140
Hedley Mounts	420069-M	1	\$225	\$225
Magnet Mounts	421627A	1	\$150	\$150
22 Ft Cam Cable	412519-22	1	\$565	\$565
Perm Roof Mount w L/P 16 ft	411246	1	\$605	\$605
Mini Split 2.5 Bracket	411782	1	\$40	\$40

*Be Advised SUV Interceptor Mounts for Puma Systems are only compatible with existing Puma Hedley Mounts (swap out z-clip). Tahoe Installs for Puma Systems are not compatible with Tahoe's. Permanent Installs (drilled to roof) will be assessed individually.



4221 Tudor Lane
Greensboro, NC 27410

Attachment A

John P. Inc.
11501 ALPINE DRIVE, Suite 100
Greensboro, NC 27410
PHONE: (336) 837-1177
FAX: (336) 837-1200

7/11/2018
QUOTATION

Delivered to:
Newseu County Police Department
1490 Franklin Avenue
Millsola, NY 11801
Attention: Sergeant Thomas Schrott

Quotation sent: 4/12/18 Revised quote sent: 5/16/18 Revised quote sent: 6/28/18 Revised quote sent: 7/11/18 Revised quote sent: 7/17/18
Quotation valid until: Quote valid until: 7/31/18
Prepared by: Quotes prepared by: Tracy Brown
HTRF Multi-State Contract #PC64414

Comments: ADM3 LPRs will be able to carry hardware warranty coverage at a 30% up charge.
All other equipment (year 6 and beyond) will be able to carry hardware warranty coverage at a 15% up charge (EXCLUDING PUMAS)
Pole Cams are covered under hardware warranty (including the PCs in the FCUs only if they fail due to manufacturing defect)
Software support includes: 24/7 remote technical support, hotlist updates, bug fixes, patches, firmware and protocol updates & software upgrades.
This warranty does not apply to costs associated with the installation of the software.

Model #	Part Number / Description	Qty	3 Years Warranty Coverage (8/1/18 to 7/31/21)
MPH-900 MS2 (140002) Car #518	GTP6974-GMSBA07031-GMSAA07025 (Installed 2/18/18) Warranty expired 2/18/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #408	GTP6973-GMSBA07078-GMSAA07027 (Installed 2/17/18) Warranty expired 2/17/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #315	GTP7053-GMSBA07029-GMSAA06942 (Installed 2/18/18) Warranty expired 2/18/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #814	GTP6973-GMSBA07032-GMSAA07026 (Installed 2/18/18) Warranty expired 2/18/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #529	GTP7039-GMSBA07034-GMSAA06941 (Installed 2/18/18) Warranty expires 2/18/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #997	GTP9944-GMSBA07020-GMSAA06899 (Installed 3/18/18) Warranty expires 2/18/18	1 Mobile	\$5,160.00 Hardware & Software Coverage
Covert Pole Cam #76 (110173)	PB10723-W131261-W131363-ST20130515010- CA13542041810 (Installed 7/28/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Covert Pole Cam #27 (110173)	PB10723-W131817-W131518-ST20130422002-CA13230041110 (Installed 7/26/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Covert Pole Cam #24 (110173)	PB10720-W131054-W131053-ST20130422006- CA13502099010 (Installed 8/25/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #21 (110173)	PB10716-W131050-W131049-ST20130422005- CA13552013410 (Installed 6/14/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #20 (110173)	PB10715-W131046-W131045-ST20130422001-CA11100305140 (Installed 6/14/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #22 (110173)	PB10717-W131044-W131043-ST20130422008- CA131802062910 (Installed 6/20/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Covert Pole Cam #8 (110122)	PB11803-W112984-OLKSA33950-C11870-C111849 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #23 (110173)	PB10718-W131048-W131047-ST2012081001- CA13182074310 (Installed 6/20/13) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #9 (110173)	PB11810-OLKSA33580-C111844-C111847 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage

MPH-900 MS2 (140002)	PR26189-GMSBA00528-GMSAA00401 (Installed 3/28/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26159-GMSBA00521-GMSAA00404 (Installed 3/31/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26184-GMSBA00513-GMSAA00391 (Installed 3/12/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
ADM3 (110050A)	307016778-307016420-307015864 (Installed 4/2/08) Warranty expires 7/31/18	1 Mobile	\$6,708.00 Hardware & Software Coverage
ADM3 (110050A)	ED8031785-307016385-307015813 (Installed 4/2/08) Warranty expires 7/31/18	1 Mobile	\$6,708.00 Hardware & Software Coverage
FCU #6	GFHCA00370-GFHCA00364-034130678810-P1370112 (Installed 9/27/13) Warranty expires 7/31/18	1 FCU 2 Fixed Cam	\$9,833.00 Hardware & Software Coverage
FCU #7	GFHCA00386-GFHCA00381-034130678815-P1370111 (Installed 8/27/13) Warranty expires 7/31/18	1 FCU 2 Fixed Cam	\$9,833.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26785-GMSBA03111-GMSAA00771 (Installed 11/19/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS1 (140002)	PR26191-GMSBA00522-GMSAA00395 (Installed 9/27/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26190-GMSBA00524-GMSAA00315 (Installed 3/27/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002) Car #2258	PR26198-GMSBA00520-GMSAA00401 (Installed 3/27/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26187-GMSBA00525-Need 2nd Serial # (Installed 3/27/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26184-GMSBA00526-GMSAA00390 (Installed 3/28/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26140-GMSBA00529-GMSAA00402 (Installed 3/12/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26977-GMSBA01330-GMSAA01005 (Installed 3/9/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26180-GMSBA00530-GMSAA00397 (Installed 3/31/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26188-GMSBA00394-GMSAA00398 (Installed 3/28/13) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26192-GMSBA00527-GMSAA00393 (Installed 3/12/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage
MPH-900 MS2 (140002)	PR26982-GMSBA01306-GMSAA00997 (Installed 8/19/14) Warranty expires 7/31/18	1 Mobile	\$5,934.00 Hardware & Software Coverage

MPH-900 MS2 (14002)	PH26183-GMSBA00505-GMSA0032H (Installed 3/31/14) Warranty expires 7/31/18	1 Mobile	\$5,834.00 Hardware & Software Coverage
MPH-900 SP2 (110066)	PH21150-2500334-1601208 (Installed 11/16/10) Warranty expires 7/31/18	1 Mobile	\$5,834.00 Hardware & Software Coverage
ADM3 (1100508)	J08031747-J07016400-J07016138 (Installed 12/14/08) Warranty expires 7/31/18	1 Mobile	\$6,708.00 Hardware & Software Coverage
ADM3 (1100508)	J070016907-J07016481-J07016065 (Installed 12/14/08) Warranty expires 7/31/18	1 Mobile	\$6,708.00 Hardware & Software Coverage
PUMA (110021)	AE00556-82704-84239E01-83344E02 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
PUMA (110021)	AE00510-82894-83063E02-82893E01 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
PUMA (110021)	AE00570-82711-83365E01-83021E02 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
PUMA (110021)	AE00475-75721-71744E02-71763E01 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
PUMA (110021)	AE00559-82724-82885E01-82898E02 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
PUMA (110021)	AED0603-38401-83366E02-82973E01 (Installed 6/21/07) Warranty expires 7/31/18	1 Mobile	\$2,985.00 Software Only Coverage
Pole Cam (110173)	PH11815-OLKSA0690-C111878-C111877 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #4 (110173)	PH11908-OLKSA33621-C111858-C111857 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #5 (110173)	PH10721-W131053-W121051-ST213422004-CA13197097010 (Installed 6/25/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #6 (110173)	PH11813-OLKSA33681-C111872-C111871 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #7 (110173)	PH11923-C111860-C111856-9DKSAD1838-8AKSA47591 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #8 (110173)	PH11904-W140018-W140017-OLKSA33605-9DKSAD1924-922427848 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #9 (110173)	PH11909-C122538-C111865-OLKSA33611 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #10 (110173)	PH11902-W111982-C120001-C120001-OLKSA33624 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage
Pole Cam #11 (110173)	PH11906-C111876-C111875-OLKSA33581 (Installed 6/24/11) Warranty expires 7/31/18	1 Pole Cam	\$8,604.00 Hardware & Software Coverage

AMENDMENT NO. 1

AMENDMENT, dated as of the date of execution by the County (together with the schedules, appendices, attachments and exhibits if any hereto, this "Amendment"), between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the Nassau County Police Department, having its principal office at 1490 Franklin Avenue, Mineola, New York, 11501 (the "Department") and (ii) Selex ES Inc., d/b/a ELSAG, a North Carolina corporation authorized to do business in the State of New York, having its principal office at 205 H Creek Ridge Road, Greensboro, NC 27406 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number COPD16-000001 between the County and the Contractor, executed on behalf of the County on January 25, 2016 (the "Original Agreement"), the Contractor performs license plate recognition ("LPR") support and maintenance services, which are more fully described in the Original Agreement (the services contemplated by the Original Agreement, the "Services"); and

WHEREAS, the term of the Original Agreement commenced upon execution of such agreement by the County and continued for a three (3) year period, unless sooner terminated in accordance with the provisions of such agreement; and

WHEREAS, the Maximum Amount that the County agreed to reimburse the Contractor for Services under the Original Agreement was not to exceed Two Hundred and Forty Thousand, Four Hundred and Thirty Nine Dollars (\$240,439.00) (the "Maximum Amount"); and

WHEREAS, the Department is desirous of amending the agreement to clarify and adjust the term, add certain services and increase the Maximum Amount; and

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Term. Paragraph 1 of the Original Agreement is amended to read as follows: "This Agreement shall commence on August 1, 2015 and continue for a three (3) year period through July 31, 2018, unless sooner terminated in accordance with the provisions of this Agreement. In addition, the County may renew the agreement under the same terms and conditions for an additional two (2) one (1) year periods."

2. Services. Paragraph 2 of the Original Agreement is amended to expand the services to include costs for non-warranty labor/parts and reinstallation of the LPRs as outlined in Appendix B annexed hereto.

3. Maximum Amount. The Maximum Amount in the Original Agreement shall be increased by **One Hundred Twenty Thousand dollars (\$120,000.00)**, payable for services rendered during the term, so that the Maximum Amount that the County shall pay to the Contractor as full consideration

for all Services provided under the agreement shall be **Three Hundred Sixty Thousand Four Hundred and Thirty Nine Dollars (\$360,439.00)**.

4. Payment. Paragraph 3(a) is amended to read as follows:

“(a) Amount of Consideration. The maximum amount to be paid to the Contractor as full consideration for the Contractor’s Services under this Agreement shall not exceed Three Hundred Sixty Thousand Four Hundred and Thirty Nine Dollars (\$360,439.00) (the “Maximum Amount”) and shall be payable as follows:

- i. three (3) annual payments of Eighty Thousand, One Hundred and Forty-Six Dollars (\$80,146.00) due on August 1 of each year of the contract and commencing on August 1, 2015 for services provided pursuant to Appendix A;
- ii. One Hundred Twenty Thousand Dollars (\$120,000.00) for services payable in accordance with the pricing as outlined in Appendix B; and
- iii. The Contractor acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement.

Notwithstanding the foregoing, Contractor shall comply with the Nassau County Comptroller’s bill paying procedures.”

5. Full Force and Effect. All terms and conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the Amended Agreement.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

Selex ES Inc., d/b/a ELSAG

By: 
Name: Barry G. Dilks
Title: VP Finance
Date: 3/13/17

NASSAU COUNTY

By: 
Name: Edward H. Ward
Title: Deputy County Executive
Date: 5/24/17

PLEASE EXECUTE IN BLUE INK

North Carolina

STATE OF NEW YORK

)ss.:

COUNTY OF NASSAU

Guilford

On the 13th day of March in the year 2017 before me personally came Barry Diks to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Guilford; that he or she is the VP Finance of Selex ES, Inc dba ELSAG, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

Guinevere Thompson
Notary Public

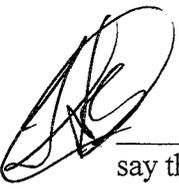
NOTARY PUBLIC

Guinevere Thompson
NOTARY PUBLIC
Guilford County, NC
My Commission Expires 9/17/18

STATE OF NEW YORK

)ss.:

COUNTY OF NASSAU



On the 24 day of May in the year 2017 before me personally came Edward H. Ward to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Nassau; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

Francis X. Becker II
NOTARY PUBLIC

FRANCIS X. BECKER II
Notary Public, State of New York
No. 01BE5073153
Qualified in Nassau County
Commission Expires February 18, 1999

2019

Appendix B



February 9, 2017

Lieutenant Kenneth Strigaro
 Nassau County Police Department
 1490 Franklin Ave.
 Mineola, NY 11501

Reinstall Parts and Non-Warranty Costs

Dear Lieutenant Strigaro,

Pursuant to Maintenance Contract number CQPD16-000001 ELSAG, the ELSAG warranty includes all repairs and replacements on hardware, software, firmware and protocol updates and remote 24/7 help desk support. The Statement of Work, Section A defines all warranty covered labor and parts. Exclusions include cables after year 1, onsite reinstalls of hardware to vehicles, required mounts and cables for reinstalls, software reinstalls, server software reinstalls and removing of gear both fixed and mobile. All LPR diagnostics must first be tested by our remote Help Desk support prior to next steps being determined. The Help Desk may request parts to be shipped to the ELSAG facility for internal diagnostics and repairs.

Reinstalls to a new vehicle will need to be reviewed case by case. Some reinstalls will require new mounts depending on the vehicle type. Older model LPR systems will require new flat camera cables to be compatible with the Ford Taurus and Chevy Caprice. The SUV Explorer requires a new mount that screws into the roof (semi-transportable) and the Tahoe's installs are only compatible with AD3M and Mini Split systems with magnet based mounts. Attachment A is a list of all parts that may be required for future reinstalls, repairs or non-warranty support.

Labor: The onsite ELSAG technician rate for an uninstal/reinstall is \$640 per vehicle (\$160 per hour – 4 hours).

The onsite technician rate for one full day is \$1,250 (2 vehicles to be reinstalled)

Estimated Costs for Mounts and Cables on Reinstalls of Puma, AD3M, Mini Split and M6 Systems

PUMA Perm to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
Transportable Puma Cables	410090	2	\$ 415	\$ 830
Hedley Mount - Puma	420069-P	2	\$ 185	\$ 370
			Total	\$ 1,200
Puma Transportable Sedan to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
Transportable Puma Cables	410090	2	\$ 415	\$ 830
			Total	\$830
Puma Transportable Sedan to SUV Explorer	Part #	Quantity	Unit Price	Total
Interceptor SUV Mount	421699	2	\$ 205	\$ 410
			Total	\$ 410



AD3M Perm Install to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Hedley	420069	2	\$ 185	\$ 370
				\$ 1,230
AD3M Transportable Install to Transportable (Sedan)	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
				\$ 860
AD3M Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Interceptor SUV mount	421742	2	\$ 220	\$ 440
				\$ 1,300
AD3M Transportable Install to Tahoe	Part #	Quantity	Unit Price	Total
16 Ft Trans. Camera Cable	410330	2	\$ 430	\$ 860
Magnet mount	420075	2	\$ 130	\$ 260
				1,120
Mini Split Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable (optional)	412519-16	2	\$ 490	\$ 980
Interceptor SUV	421699	2	\$ 205	\$ 410
				\$ 1,390
Mini Split Transportable Install to Tahoe	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable	412519-16	2	\$ 490	\$ 980
Magnet Mounts	421627	2	\$ 150	\$ 300
				\$ 1,280

M6 Transportable Install to SUV Explorer	Part #	Quantity	Unit Price	Total
16 Ft Trans Camera Cable	412519-16	2	\$490	\$980
Other Possible Gear Required	Part #	Quantity	Unit Price	Total
12 Ft Tran Camera Cable	412519-12	1	\$430	\$430
M6 Universal Mount	421812	1	\$265	\$265
Ethernet Cable AD3M	410318	1	\$115	\$115
Ethernet Shielded	410052	1	\$25	\$25
Full Power/Opus Kit Permanent	421608	1	\$525	\$525
Permanent Power	412149	1	\$140	\$140
Hedley Mounts	420069-M	1	\$225	\$225
Magnet Mounts	421627A	1	\$150	\$150
22 Ft Cam Cable	412519-22	1	\$565	\$565



Perm Roof Mount w L/P 16 ft	411246	1	\$605	\$605
Mini Split 2.5 Bracket	411782	1	\$40	\$40

Be Advised SUV Interceptor Mounts for Puma Systems are only compatible with existing puma Hedley Mounts (swap out z-clip). Tahoe Installs for Puma Systems are not compatible with Tahoe's. Permanent installs (drilled to roof) will be assessed individually.

Sincerely,

Stephanie Battista
 Northeast Field Operations Manager
 ELSAG North America

**Nassau County Contract CQPD16-000001 License Plate Readers Maintenance
 Attachment A - Amendment Pricing for Non-Warranty Items**

New Model Number / Product Code	Name	Base Sales Price
140302	Radar Trailer LPR Kit with Aaeon (110133)	\$ 12,585.00
210019	Remote Software Installation (210019)	\$ 320.00
210020	Tech Dispatch - Mobile (210020)	\$ 1,250.00
210027	Installation - Mobile (210027)	\$ 625.00
210030	Repair Support - Diagnostic Charge (210030)	\$ 350.00
410052	Ethernet Cable 25' (410052)	\$ 25.00
410077	Battery (410077)	\$ 495.00
410154	Aaeon (410154)	\$ 2,690.00
410161	USB Extension Cable 6ft (410161)	\$ 20.00
410319	AD3M Perm Power Cable (410319)	\$ 190.00
410357	AD-M3 Trunk Bulkhead Gasket (410357)	\$ 5.00
410361	AD3M Perm Camera Cable (410361)	\$ 530.00
410362	AD3M Trans Power Cable (410362)	\$ 195.00
410520	20ft AD3M Transportable Camera Cable	\$ 440.00
410917	ELSAG Garmin GPS (410917)	\$ 95.00
411128	AD3 Split Trunk Mount LH Cable (411128)	\$ 520.00



New Model Number / Product Code	Name	Base Sales Price
411130	AD3 Split Trunk Mount RH Cable (411130)	\$ 515.00
411181	1 Ft Shielded Cat5e Patch Cord (411181)	\$ 10.00
411225	Dual AD3 Splt Cam w/PL 16' (411225)	\$ 1,105.00
411246	AD3 Split w/LP 16' Perm Cable (411246)	\$ 605.00
411263	Pelco FCU Cable Mounts 36 inch in Diameter (411263)	\$ 150.00
411362	Z Bracket - Sonic Wall 1.53 inch (411362)	\$ 10.00
411782	MOUNTING BRKT - MINI SPLIT 2.5 IN (411782)	\$ 40.00
411804	Battery 100 AMP Deep Cycle (411804)	\$ 480.00
411841	Hedley Clip (411841)	\$ 30.00
411952	Band-It Clamping System Buckle Clamp Mounting Tool	\$ 320.00
411953	Band-It Clamping System Universal Channel-Mounting Clamp	\$ 25.00
412149	Opus Permanent Power Cable (412149)	\$ 140.00
412165	OPUS TRANSPORTABLE POWER CABLE (412165)	\$ 135.00
412310	PACKING FOAM INSERT (412310)	\$ 65.00
412348	Neuvo (412348)	\$ 3,355.00
412404	Cellular Modem GX440 for Verizon (412404)	\$ 930.00
412494	"Z" Clip (412494)	\$ 50.00
412727	Cellular Modem GX400 for AT&T (412727)	\$ 930.00
421218	ASM, POLE MOUNT, 2 CAMERA (421218)	\$ 630.00
421320	Splt Trk Bx Mnt - Vert 1 Port (421320)	\$ 95.00
421321	2 Port Vert Flr Mnt B0x Assembly (421321)	\$ 95.00
421399	ASM, POLE MOUNT, 1 CAMERA (421399)	\$ 510.00
421487	16 mm Mini Camera Head (421487)	\$ 4,195.00
421499	25 mm Mini Camera Head (421499)	\$ 4,350.00
421500	35 mm Mini Camera Head (421500)	\$ 4,350.00
421501	50 mm Mini Camera Head (421501)	\$ 4,350.00
421523	MULTI-MOUNT, 2 CAM (421523)	\$ 355.00
421571	Cam Mtg Asm - Over the Road (421571)	\$ 675.00
421572	ASM, POLE MOUNT, 3 CAMERA (421572)	\$ 865.00
421586	MULTI-MOUNT, 1 CAM, ASSEMBLY (421586)	\$ 170.00
421599	Band-It Clamping System 2 Angle Mount Brackets	\$ 65.00
421608	Opus replacement Kit 3-4 Cam System (421608)	\$ 525.00
421611	OPUS REP KIT-TRANS PWR 1-2 CAM (421611)	\$ 520.00
421627	MAGNET MOUNT ASM - MINI SPLIT (421627)	\$ 150.00
421633	LIGHT BAR ASM - MINI SPLIT (421633)	\$ 450.00
421643	1 Port Trunk Box - Alum Finish (421643)	\$ 2,205.00



New Model Number / Product Code	Name	Base Sales Price
421644	2 Port Trunk Box - Alum Finish (421644)	\$ 4,770.00
421646	Trunk Box Floor Mount 3-4 Port (421646)	\$ 305.00
421667	ASSEMBLY HANGING MOUNT, 2 CAMERA (421667)	\$ 825.00
421670	CAMERA MOUNTING ASM - CONCRETE (421670)	\$ 280.00
421677	ASSEMBLY HANGING MOUNT, 1 CAMERA (421677)	\$ 510.00
421678	Hi Res Fixed Cam 50 mm 740 (421678)	\$ 8,950.00
421681	DIY MPH900 PERM WIRING KIT (421681)	\$ 325.00
421699	INTERCEPTOR SUV ROOF MULTI-MOUNT 1 CAMERA	\$ 205.00
421713	Split SUV Roof Mount (421713)	\$ 200.00
510322	API Development Kit (510322)	\$ 3,500.00
510323	EOC 5.X Speed Feature License (510323)	\$ 225.00
510324	API Run-Time License Fee Per Fixed Camera/Mobile	\$ 275.00
140001-Upgrade	MPH-900 MS1 2 to 3 Camera Conversion Kit	\$ 5,200.00
210003-F	Engineering Day - Field Support (210003-F)	\$ 1,250.00
210003-H	Engineering Day - Helpdesk (210003-H)	\$ 1,250.00
210003-O	Engineering Day - Outside Services	\$ 1,250.00
210005-E	Engineering Hour - Engineering (210005-E)	\$ 160.00
210005-F	Engineering Hour - Field Support (210005-F)	\$ 160.00
210005-H	Engineering Hour - Helpdesk (210005-H)	\$ 160.00
410395-5	Cable 5ft FG Pigtail (410395-5)	\$ 260.00
410395-10	Cable 10ft FG Pigtail (410395-10)	\$ 300.00
410395-15	Cable 15ft FG Pigtail (410395-15)	\$ 345.00
410395-20	Cable 20 ft. FG Pigtail (410395-20)	\$ 385.00
410395-25	Cable 25ft FG Pigtail (410395-25)	\$ 425.00
410395-30	Cable 30ft FG Pigtail (410395-30)	\$ 460.00
410395-35	Cable 35ft FG Pigtail (410395-35)	\$ 510.00
410395-40	Cable 40ft FG Pigtail (410395-40)	\$ 505.00
410395-45	Cable 45ft FG Pigtail (410395-45)	\$ 590.00
410395-50	Cable 50ft FG Pigtail (410395-50)	\$ 630.00
410395-55	Cable 55ft FG Pigtail (410395-55)	\$ 670.00
410395-60	Cable 60ft FG Pigtail (410395-60)	\$ 715.00
410395-65	Cable 65ft FG Pigtail (410395-65)	\$ 755.00
410395-70	Cable 70ft FG Pigtail (410395-70)	\$ 795.00
410395-75	Cable 75ft FG Pigtail (410395-75)	\$ 835.00
410395-80	Cable 80ft FG Pigtail (410395-80)	\$ 880.00
410395-85	Cable 85ft FG Pigtail (410395-85)	\$ 920.00
410395-90	Cable 90ft FG Pigtail (410395-90)	\$ 960.00
410395-95	Cable 95ft FG Pigtail (410395-95)	\$ 1,000.00
410395-100	Cable 100ft FG Pigtail (410395-100)	\$ 1,040.00



New Model Number / Product Code	Name	Base Sales Price
410395-105	Cable 105ft FG Pigtail (410395-105)	\$ 1,085.00
410395-110	Cable 110ft FG Pigtail (410395-110)	\$ 1,125.00
410395-115	Cable 115ft FG Pigtail (410395-115)	\$ 1,165.00
410395-120	Cable 120ft FG Pigtail (410395-120)	\$ 1,070.00
410395-125	Cable 125ft FG Pigtail (410395-125)	\$ 1,250.00
410395-130	Cable 130ft FG Pigtail (410395-130)	\$ 1,140.00
410395-135	Cable 135ft FG Pigtail (410395-135)	\$ 1,175.00
410395-140	Cable 140ft FG Pigtail (410395-140)	\$ 1,210.00
410395-145	Cable 145ft FG Pigtail (410395-145)	\$ 1,245.00
412519-16	16 ft. Flat Split Transportable Camera Cables	\$ 490.00
420069-M	Hedley Trunk Mt Assembly-Mini (420069-M)	\$ 175.00
420069-P	Hedley Trunk Mt Assembly-Puma (420069-P)	\$ 185.00
420069-S	Hedley Trunk Mt Assembly-AD3S (420069-S)	\$ 225.00
510033-CSC	Car System Version 6.X - EOC Connected	\$ 320.00
510033-CSSA	Car System Version 6.X - Stand Alone	\$ 320.00
510322-5.X	Operation Center License 5.x (510322-5.X)	\$ 1,275.00
412519-12	12 Ft Trans Camera Cable Mini Split	\$ 440.00
412519-16	16 Ft Trans. Camera Cable Mini Split	\$ 490.00
412519-20	20 Ft Trans. Camera Cable Mini Split	\$ 540.00
410330	16 Ft Trans. Camera Cable AD3M	\$ 430.00
412520-12	12 Ft Flat Trans. Cable w/90 4:30	\$ 490.00
412520-16	16 Ft Flat Trans. Cable w/90 4:30	\$ 550.00
412520-20	20 Ft Flat Trans. Cable w/90 4:30	\$ 600.00
412521-12	12 Ft Flat Trans. Cable w/90 7:30	\$ 490.00
412521-16	16 Ft Flat Trans. Cable w/90 7:30	\$ 550.00
412521-20	20 Ft Flat Trans. Cable w/90 7:30	\$ 600.00
410318	Ethernet Cable AD3M	\$ 115.00
421742	Interceptor SUV mount AD3M	\$ 220.00
420075	Magnet mount AD3M	\$ 130.00
410090	Transportable Puma Cables	\$ 415.00
410026	Permanent Puma Power	\$ 115.00
412717	Mounting Bracket - AD3-MS , 3 Inch Tall	\$ 40.00
410350	M3 Right Trunk Mount AD3M	\$ 530.00
420018	2 Camera Tether Kit	\$ 225.00
410109-B	Magnets with Bulk Powder Coat	\$ 10.00
421326	Silicone Pads	\$ 10.00
410039	Interface Cable Split AnaPerm M2	\$ 475.00

CONTRACT FOR SERVICES

THIS AGREEMENT, dated as of the date of execution by the County (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement"), is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the Nassau County Police Department, having its principal office at 1490 Franklin Avenue, Mineola, New York 11501 (the "Department"), and (ii) Selex ES Inc., d/b/a ELSAG North America LLC ("ELSAG"), authorized to do business in the State of New York, having its principal office at 205 H Creek Ridge Road, Greensboro, NC 27406 (the "Contractor").

W I T N E S S E T H:

WHEREAS, the Contractor is a sole source provider of the Services pursuant to N.Y. G.M.L. § 104-b; and

WHEREAS, this is a personal service contract within the intent and purview of Section 2206 of the County Charter;

WHEREAS, the County desires to hire the Contractor to perform the services described in this Agreement; and

WHEREAS, the Contractor desires to perform the services described in this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence upon execution of this Agreement by the County and continue for a three (3) year period, unless sooner terminated in accordance with the provisions of this Agreement.

2. Services. The services to be provided by the Contractor under this Agreement shall consist of services related to license plate recognition ("LPR"), including but not limited to support and maintenance for the software and hardware related thereto. Such services are described in greater detail in the Statement of Work attached hereto as Appendix A.

3. Payment.

(a) Amount of Consideration. The maximum amount to be paid to the Contractor as full consideration for the Contractor's Services under this Agreement shall not exceed Two Hundred and Forty Thousand, Four Hundred and Thirty Nine Dollars (\$240,439.00) (the "Maximum Amount") and shall be paid in the form of three (3) annual payments of Eighty Thousand, One Hundred and Forty-Six Dollars (\$80,146.00) due on August 1 of each year of the contract and commencing on August 1, 2015. Notwithstanding the foregoing, Contractor shall comply with the Nassau County Comptroller's bill paying procedures.

(b) Vouchers; Voucher Review, Approval and Audit. Payments shall be made to the Contractor in arrears and shall be contingent upon (i) the Contractor submitting a claim voucher (the "Voucher") in a form satisfactory to the County, that (a) states with reasonable specificity the

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services provided and the payment requested as consideration for such services, (b) certifies that the services rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(c) Timing of Payment Claims. The Contractor shall submit claims no later than three (3) months following the County's receipt of the services that are the subject of the claim and no more frequently than once a month.

(d) Reimbursement by the Contractor upon Loss of Funding. In addition to any other remedies available to the County, in the event that the County loses funding, including reimbursement, from the State or federal governments for any Services arising out of or in connection with any act or omission of the Contractor or a Contractor Agent (i) the County will have no further obligations to the Contractor under this Agreement and (ii) the Contractor shall pay the County the full amount of lost funds on demand, but not in excess of the amount paid to the Contractor under this Agreement.

(e) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between the Contractor and any funding source including the County.

(f) Payments in Connection with Termination or Notice of Termination. Unless a provision of this Agreement expressly states otherwise, payments to the Contractor following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior to termination, (ii) authorized by this Agreement to be performed, and (iii) not performed after the Contractor received notice that the County did not desire to receive such services.

4. Independent Contractor. The Contractor is an independent contractor of the County. The Contractor shall not, nor shall any officer, director, employee, servant, agent or independent contractor of the Contractor (a "Contractor Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).

5. No Arrears or Default. The Contractor is not in arrears to the County upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance with Law.

(a) Generally. The Contractor shall comply with any and all applicable Federal, State and local Laws, including, but not limited to those relating to conflicts of interest, discrimination, a living wage, disclosure of information, and vendor registration, in connection with its performance under this Agreement. In furtherance of the foregoing, the Contractor is bound by and shall comply with the terms of Appendix EE attached hereto and with the County's vendor registration protocol. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, the Contractor agrees as follows:

- (i) Contractor shall comply with the applicable requirements of the Living Wage Law, as amended;
- (ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Contractor has the right to cure such breach within thirty (30) days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.
- (iii) It shall be a continuing obligation of the Contractor to inform the County of any material changes in the content of its certification of compliance, attached as Appendix L, and shall provide to the County any information necessary to maintain the certification's accuracy.

(c) Records Access. The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. The Contractor shall maintain individual records for each service and/or test conducted and shall be kept and maintained in a confidential manner as described herein. The Contractor acknowledges that Contractor Information in the County's possession may be subject to disclosure under Article 6 of the New York State Public Officer's Law ("Freedom of Information Law" or "FOIL"). In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify the Contractor of such request prior to disclosure of the Information so that the Contractor may take such action as it deems appropriate.

(d) Protection of Confidential Information. The parties further acknowledge that in the course of this Agreement each may have access to and/or be in possession of proprietary or confidential information of the other party. "Confidential Information" shall mean information regarded by the disclosing party as confidential; provided that, information deemed confidential by the disclosing party shall be clearly marked "Confidential", "Restricted" or with another similar legend. Each party agrees to use the Confidential Information of the other party solely for the purposes of this Agreement, and will not disclose such Confidential Information to any third party without the other party's consent. Each party shall maintain the Confidential Information of the other party in confidence using at least the same degree of care as it employs in maintaining in confidence its own proprietary and confidential information, but in no event less than a reasonable degree of care. Provided that, the receiving party shall have met the foregoing standard of care, an inadvertent or accidental disclosure by the receiving party of Confidential Information of the disclosing party shall not constitute a breach hereof.

The foregoing shall not prohibit or limit any party's use of information (including but not limited to ideas, concepts, know-how, techniques and methodologies) (i) previously known to it, (ii) independently developed by it, (iii) acquired by it from a third party without continuing restriction on use, or (iv) which is, or becomes, publicly available through no breach by it of this Agreement. Neither party shall use the Confidential Information of the other party for its own benefit or for the

benefit of any third party, except as expressly permitted in this Agreement. A receiving party also may disclose Confidential Information to the extent required by an order of a court of competent jurisdiction, administrative agency or governmental body, or by any law, rule or regulation, or by court ordered subpoena, summons or other administrative or legal process, or by applicable regulatory or professional standards, or in connection with any judicial or other proceeding involving Contractor and County relating to Contractor's Services for County or this Agreement. The obligation of this paragraph shall survive the termination or expiration of this Agreement.

(e) Protection of Information Obtained in the Course of Performance. Information obtained by the Contractor in the course of performance under this Agreement is the property of the Department and may be disclosed only with the express permission of the Department or as required by law.

(f) Limitation on the Flow of Information. The Contractor shall endeavor to give access to the Confidential Information only to such persons who are either bound by a professional duty of confidentiality or who require knowledge of the information as employees, representatives, agents, authorized persons, advisors, officers, or directors of the respective party for orderly conduct of business of the party concerned. The Contractor shall also require the recipients of the Confidential Information to undertake to keep such Confidential Information secret.

(g.) Non-Disclosure Agreement (NDA). The Contractor and the Contractor's personnel and/or agents are providing Services pursuant to this Agreement shall enter into a County issued NDA prior to commencement of Services.

(h.) The provisions of this section shall survive the termination

7. Minimum Service Standards. Regardless of whether required by Law:

(a) The Contractor shall, and shall cause Contractor Agents to, conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.

(b) The Contractor shall deliver services under this Agreement in a professional manner consistent with the best practices of the industry in which the Contractor operates. The Contractor shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Contractor Agents to obtain and maintain, all approvals, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

8. Warranties

(a) Contractor shall warrant all software and hardware in conformance with the Extended Hardware Warranty and Exclusions annexed hereto as Appendix B.

(b) Contractor warrants and represents full ownership, clear title free of all liens, and/or that Contractor has obtained on behalf of County perpetual license rights set forth herein to use the deliverable (the "Product Warranty"). Contractor shall indemnify County for any loss, damages or actions arising from a breach of this warranty. County may require Contractor to furnish appropriate written documentation establishing the above rights and interests as a condition of payment. County's request or failure to request such documentation shall not relieve Contractor of liability under this warranty.

(b) Contractor warrants and represents that all products or deliverables specified in and furnished by or through Contractor under this Agreement substantially conform to the specifications set forth in the SOWs provided that no modifications, other than modifications contemplated by or consented to by the Contractor, are made to the deliverables or their system environment by any party other than Contractor, and that services will be provided in a workmanlike manner in accordance with industry standards.

(c) Contractor further warrants and represents that Products or deliverables specified and furnished by or through Contractor under the SOW shall individually, and where specified by Contractor to perform as a system, be substantially uninterrupted and error-free in operation and guaranteed against faulty material and workmanship provided that no modifications, other than modifications contemplated by or consented to by the Contractor, are made to the deliverables or their system environment by any party other than Contractor. Defects in the products or deliverables specified and furnished by or through Contractor shall be repaired or replaced by Contractor at no cost or expense to the County.

(d) Contractor shall extend the Project Warranty for individual product(s), or for the system as a whole, if applicable, by the cumulative period(s) of time, after notification, during which an individual product or the system requires servicing or replacement (down time), or is in the possession of the Contractor, its agents, officers, subcontractors, distributors, resellers or employees.

(e) In addition to Contractor's Project Warranty, the County shall have the benefit of all manufacturers' standard commercial warranties for individual deliverables, if any.

(f) Where the manufacturer's warranty term is longer than the Project Warranty period, Contractor shall notify the County and pass through the manufacturer's warranty to County. Contractor shall not be responsible for coordinating services under the manufacturer's warranty after expiration of the Project Warranty Period.

(g) The warranties set forth herein shall survive any termination of the Agreement with respect a SOW in accordance with the stated warranty term(s).

(h) The above warranties do not apply to the extent the problem is caused by misuse, unauthorized modification, unsuitable physical environment, operation in other than the specified operating environment, failure to follow required maintenance by the County or failure caused by a product for which Contractor is not responsible.

(j) Prior to bringing a claim under the warranty the County shall give the Contractor a reasonable amount of time in which to re-perform the Services and/or correct the deliverables to which the claim relates.

(j) In addition to any and all remedies available at law and / or equity, the County shall be entitled to cumulative remedies for the breach of any warranties herein.

9. Indemnification; Defense; Cooperation.

(a) The Contractor shall be solely responsible for and shall indemnify and hold harmless the County, the Department and its officers, employees, and agents (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), arising out of or in connection with any acts or

omissions of the Contractor or a Contractor Agent, regardless of whether due to negligence, fault, or default, including Losses in connection with any threatened investigation, litigation or other proceeding or preparing a defense to or prosecuting the same; provided, however, that the Contractor shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.

(b) The Contractor shall, upon the County's demand and at the County's direction, promptly and diligently defend, at the Contractor's own risk and expense, any and all suits, actions, or proceedings which may be brought or instituted against one or more Indemnified Parties for which the Contractor is responsible under this Section, and, further to the Contractor's indemnification obligations, the Contractor shall pay and satisfy any judgment, decree, loss or settlement in connection therewith.

(c) The Contractor shall, and shall cause Contractor Agents to, cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or proceeding in connection with this Agreement, including the acts or omissions of the Contractor and/or a Contractor Agent in connection with this Agreement.

(d) The Contractor shall indemnify and hold the County harmless against any and all Losses arising out of or in connection with (i) any breach of warranty by the Contractor, and (ii) any claim for any infringement of intellectual property rights.

(e) The provisions of this Section shall survive the termination of this Agreement.

10. Insurance.

(a) Types and Amounts. The Contractor shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit liability of not less than three (3) million dollars (\$3,000,000) per claim, (iii) compensation insurance for the benefit of the Contractor's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iv) such additional insurance as the County may from time to time specify.

(b) Acceptability; Deductibles; Subcontractors. All insurance obtained and maintained by the Contractor pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed to do business in New York State and acceptable to the County, and which is (ii) in form and substance acceptable to the County. The Contractor shall be solely responsible for the payment of all deductibles to which such policies are subject. The Contractor shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by the Contractor under this Agreement.

(c) Delivery; Coverage Change; No Inconsistent Action. Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the insurance coverage required by this Agreement shall be delivered to the Department. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, the Contractor shall provide written notice to the

Department of the same and deliver to the Department renewal or replacement certificates of insurance. The Contractor shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take or omit to take any action that would suspend or invalidate any of the required coverages. The failure of the Contractor to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of the Contractor to maintain required coverages shall be deemed a material breach of this Agreement upon which the County reserves the right to consider this Agreement terminated as of the date of such failure.

11. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

12. Termination.

(a) Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to the Contractor, (ii) for "Cause" by the County immediately upon the receipt by the Contractor of written notice of termination, (iii) upon mutual written Agreement of the County and the Contractor, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

(b) By the Contractor. This Agreement may be terminated by the Contractor if performance becomes impracticable through no fault of the Contractor, where the impracticability relates to the Contractor's ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by the Contractor delivering to the commissioner or other head of the Department (the "Commissioner"), at least sixty (60) days prior to the termination date (or a shorter period if sixty days' notice is impossible), a notice stating (i) that the Contractor is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the Contractor's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.

(c) Contractor Assistance upon Termination. In connection with the termination or impending termination of this Agreement the Contractor shall, regardless of the reason for termination, take all actions reasonably requested by the County (including those set forth in other provisions of this Agreement) to assist the County in transitioning the Contractor's responsibilities under this Agreement. The provisions of this subsection shall survive the termination of this Agreement.

(d) Accounting Upon Termination: (i) Within sixty (60) days of the termination of this Agreement, the Contractor shall provide the Department with a complete accounting up to the date

of termination of all monies received from the County and shall immediately refund to the County any unexpended balance remaining as of the time of termination.

13. Accounting Procedures; Records. The Contractor shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, any other governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

14. Intellectual Property Rights

(a) Except as noted in Subsection (c) below, upon execution of this Agreement, any documents, data, designs, drawings, photographs and/or any other material provided by the County or compiled by the Contractor for the County pursuant to this Agreement shall remain an exclusive property of the County.

(b) The completed project deliverables as well as all working material shall be the sole property of the County. The Contractor shall not sell or distribute any of these County project deliverables in whole or in part to any third parties. The Contractor, with the expressed written permission of the County, may be allowed to use limited examples of the completed work for marketing or other uses.

(c) Contractor Property or Works. Unless otherwise agreed upon between the parties, Contractor retains all right, title and interest, including all copyrights, patent rights and trade secret rights, in any pre-existing Contractor property or work, including all intellectual property interests therein, that is included -in the training program, except solely the specific modifications made by the County, which modifications shall be owned by the County.

15. Right to Works.

(a) Assignment of Contract Works. Subject to and effective upon payment in full of all Contractor invoices for Services rendered hereunder subject to Section 3, Contractor shall assign to County all copyrights and trade secret rights in the deliverables.

(b) Contractor Property or Works. Contractor retains all right, title and interest, including all copyrights, patent rights and trade secret rights, in any Contractor property or works. Contractor hereby grants to County a non-exclusive, non-transferable, royalty-free, perpetual internal use license to use such Contractor Works that are incorporated into the deliverables. As used in this Agreement, the term "Contractor Works" means any of the following: (i) any software program, algorithm, process, methodology, documentation, report, data, flow diagram, document, or other material owned, generated, or distributed by Contractor prior to or separately from this Agreement; or (ii) any tools or utilities developed by or on behalf of Contractor or used by Contractor.

(c) Third-Party Software. Nothing herein grants to County any license or other right to use any software products of Contractor or any third party not developed specifically for County hereunder. Such rights may be obtained only pursuant to separate written license agreements with Contractor or such third parties.

16. Works Made for Hire.

The Contractor acknowledges that all of the Contractor's works of authorship, and/or other materials created pursuant to this Agreement are works made for hire and the property of the County, including any copyrights, patents, or other intellectual property rights pertaining thereto. If it is determined that any such works are not works made for hire, the Contractor hereby assigns to the County all of the Contractor's right, title, and interest, including all - rights of copyright, patent, and other intellectual property rights, to or in such the Contractor works.

17. Patent/Copyright Claims.

(a) Contractor will indemnify, defend and hold the County harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the County in any action for infringement of a United States Letter Patent with respect to the deliverables furnished by Contractor, or of any copyright, trademark, trade secret or other third party proprietary right, provided that the County shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. In addition to the foregoing, the County shall have the right to subrogate any and all claims to the Contractor in any action for infringement of a United States Letter Patent with respect to the deliverables furnished by Contractor, or of any copyright, trademark, trade secret or other third party proprietary right.

(b) In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the County's exclusive remedy to take action in the following order of precedence: (i) to procure for the County the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes noninfringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the County up to the dollar amount of the respective SOW.

(c) The foregoing provisions shall not apply to any infringement caused by modification by the County of any tangible or intangible deliverables that is i) not contemplated by Contractor, ii) made without Contractor's approval, or 3) caused by the use of any deliverable with any adjunct device added by the County, unless such use was contemplated or consented to by the Contractor.

(d) In the event that an action at law or equity is concerned against the County arising out of a claim that the County use of a deliverable under this Agreement infringes any patent, copyright or proprietary right and the Contractor is of the opinion that the allegations in such action in whole or in part are not covered by the indemnification and defense provisions set forth in this Agreement, the Contractor shall immediately notify the County in writing and shall specify to what extent the Contractor believes it is obligated to defend and indemnify under the terms and conditions of this Agreement. The Contractor shall in such event protect the interests of the County and secure a continuance to permit the County to appear and defend its interests in cooperation with the Contractor as is appropriate, including any jurisdictional defenses the County may have.

18. Compliance with Security and Confidentiality Requirements.

Contractor agrees to abide by all policies and procedures of the County and to comply with all reasonably non-invasive security requirements of the County particularly in its use of computer facilities. and shall not provide access or divulge to third parties any information or materials acquired during performance of services under this contract unless such information is a) previously known by Contractor; b) generally available to the public; c) subsequently disclosed to Contractor by a third party who is not under an obligation of confidentiality with the County; or d) independently developed by Contractor. Contractor shall inform its employees of the requirements of this paragraph and shall enforce compliance with these requirements by its employees. The Contractor firm or sub-contractors engaged in a project as a result of this contract may be required to sign a statement of confidentiality prior to each project. The County may impose security requirements depending on the nature of the individual projects initiated.

19. Defective Performance/Temporary Incapacity of Contractor.

During the contract period, should it become evident that the Contractor cannot meet the terms of the Agreement, or should the Contractor be substantially behind in meeting the work plan schedule for the project, or should Contractor suffer any temporary incapacity which renders it unable to resume work, and where the Contractor has been offered an opportunity to cure its default within a reasonable time as specified by the County, but not to exceed thirty (30) days, and the Contractor has failed to remedy such default, the County reserves the right to terminate or cancel the project/SOW in whole or in part immediately upon written notice to the Contractor. Such action shall not give rise to any action on behalf of Contractor for loss of future profits or future remuneration of any kind.

20. Limitations on Actions and Special Proceedings against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief the Contractor shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. The Contractor shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of the Contractor shall allege that the above-described actions and inactions preceded the Contractor's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

21. Work Performance Liability. The Contractor is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Contractor is using a Contractor Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Contractor Agent has been

approved by the County.

22. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

23. Notices. Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name the Contractor shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to the Contractor, to the attention of the person who executed this Agreement on behalf of the Contractor at the address specified above for the Contractor, or in each case to such other persons or addresses as shall be designated by written notice.

24. All Legal Provisions Deemed Included; Severability; Supremacy.

(a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

(d) Each party has cooperated in the negotiation and preparation of this Agreement. Therefore, in the event that construction of this Agreement occurs, it shall not be construed against either party as drafter.

25. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

26. Administrative Service Charge. The Contractor agrees to pay the County an administrative service charge of Five Hundred and Thirty-Three Dollars (\$533) for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Number 128-2006. The administrative service charge shall be due and payable to the County by the Contractor upon signing this Agreement.

27. Force Majeure: Whenever performance by either party of any of their respective obligations is substantially prevented by reason of any act of God, other industrial or transportation disturbance, fire, floods, riots, acts of enemies, national emergencies or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter.

28. Executory Clause. Notwithstanding any other provision of this Agreement:

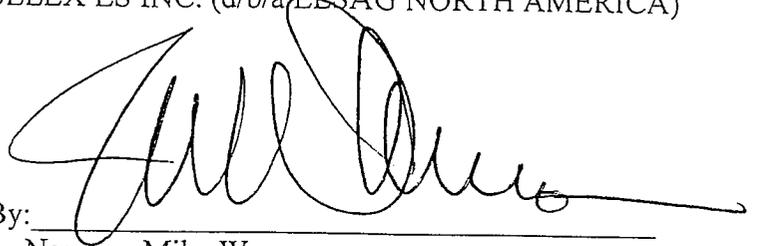
(a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all County approvals have been obtained, including, if required, approval by the County Legislature, and (ii) this Agreement has been executed by the County Executive (as defined in this Agreement).

(b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

28. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the Contractor and the County have executed this Agreement as of the date first above written.

SELEX ES INC. (d/b/a ELSAG NORTH AMERICA)



By: _____
Name: Mike Warner
Title: Chief Executive Officer
Date: _____

NASSAU COUNTY



By: _____
Name: Charles Richards
Title: Deputy County Executive
Date: 1/25/16

PLEASE EXECUTE IN BLUE INK

North Carolina

STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU) Guilford

On the 16th day of December in the year 2015 before me personally came Michael M Warner to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Johnson; that he or she is the CEO of Selex ES Inc, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

NOTARY PUBLIC

Guinevere Thompson
NOTARY PUBLIC
Guilford County, NC
My Commission Expires 9/17/18

STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the 25 day of January in the year 2016 before me personally came Chuck Ribando to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Nassau; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

Concetta A. Petrucci

NOTARY PUBLIC

CONCETTA A. PETRUCCI
Notary Public, State of New York
No. 01-9825-0026
Qualified in Nassau County
Commission Expires April 02, 2016



November 24, 2015

Nassau County Police Department
1490 Franklin Ave
Mineola, NY 11501

Appendix A

Statement of Work
ELSAG North America Warranty Coverage

Summary: With each LPR purchase, a one-year manufacturer's warranty is included in the price and includes hardware, software and 24/7 Help Desk support. The sales quote also included line items to purchase additional years of extended warranty which is priced at 10% of the purchase price for year 2, 3 and 4. Without the extended warranty, repairs and replacements are the agency's responsibility. Upon year 5 the warranty price is \$500 per year and covers hardware and software updates and support.

Nassau County Police Department will renew a three year extended warranty contract with ELSAG North America. ELSAG agrees to include hardware coverage in years 5 and beyond for all Nassau County Police Department units. This includes all legacies of equipment and covers hardware repairs, replacements and software updates. Terms of coverage are from August 1, 2015 thru July 31, 2018.

Cost and Payment:

All 61 units will have extended warranty with Terms of Coverage detailed in Section 1.1. Nassau County Police Department will enter into a Services contract with annual payments to ELSAG North America. The list of serial numbers and products are listed in Attachment Section 1.1 of SOW.

The total cost for renewal is \$240,439.00 with an annual payment amount of \$80,146.33. The annual payment must be received at the beginning of each year commencing August 1, 2015.

Terms of Coverage:

Warranty coverage includes repairs and replacements of hardware, software updates, firmware updates and protocol updates. The customer has access to the 24/7 Help Desk support line. For full warranty terms of coverage see Section 1.2 of SOW.

Telephone Support and Remote Diagnostics: To ensure that the product is repaired as quickly and efficiently as possible, customer must first work cooperatively with Telephone Support to try and repair the products. If product contains features that enable ELSAG to diagnose and repair remotely, ELSAG may request the customer to allow such remote access.

Hardware Repairs and Replacements: If defective hardware is identified, the Customer will be provided RGA paperwork to ship product to ELSAG manufacturing facility. The repair team will work to correct problem and return gear to Customer as soon as possible.

The software coverage includes:

Software updates: ELSAG's software development team actively improves and develops our software to keep in line with customer needs and demands. Car System and EOC updates are released throughout the year as new features are added or software bugs are fixed.

Firmware Updates: Firmware upgrades are similar to software updates in that they fix bugs, add or remove features and improve performance, however it is directly tied to the hardware device. If a firmware update is released, a warranty customer has access to this update.

Protocol Updates: As new license plates are released within a state, ELSAG actively works on updating the state protocol to ensure plates are read with a high capture and accuracy rate.

Exclusions to hardware and software warranty coverage:

Onsite Hardware Reinstallation to a new vehicle- \$1,250

Help Desk Remote Software Reinstallations- \$312.50

EOC server reinstallations - \$1,250

Camera Cables beyond year 1 - \$433.92

ELSAG North America is proud to be Nassau County Police Department's primary LPR vendor and we thank you for your business.

Sincerely,



Stephanie Battista
Northeast Field Operations Manager

Section 1.1

List of Nassau County Police Department LPR Systems as of May 20th, 2015.

	Serial Number	PO#
1	[REDACTED]	PD08000503
2	[REDACTED]	PD08000503
3	[REDACTED]	PD7000284
4	[REDACTED]	PD7000284
5	[REDACTED]	PD7000284
6	[REDACTED]	PD7000284
7	[REDACTED]	PD7000284
8	[REDACTED]	PD7000284
9	[REDACTED]	PD600124
10	[REDACTED]	PD7000284
11	[REDACTED]	PD08001388
12	[REDACTED]	PD7000284

13

[REDACTED]

PD7000284

14	[REDACTED]	PD7000284
15	[REDACTED]	PD09000312
16	[REDACTED]	SO 100003684/ Invoice 13849
17	[REDACTED]	SO 100003684/ Invoice 13857
18	[REDACTED]	PD12000717
19	[REDACTED]	PD12000717
20	[REDACTED]	PD12000717
21	[REDACTED]	PD12000717
22	[REDACTED]	PD12000717
23	[REDACTED]	PD13000254
24	[REDACTED]	PD13000254
25	[REDACTED]	PD12000717
26	[REDACTED]	PD12000717
27	[REDACTED]	PD12000717
28	[REDACTED]	PD12000717
29	[REDACTED]	PD12000717

30	[REDACTED]	PD12000717
31	[REDACTED]	PD12000717
32	[REDACTED]	PD12000717
33	[REDACTED]	SO#222 Complimentary Unit
34	[REDACTED]	PD12000717
35	[REDACTED]	PD12000717
36	[REDACTED]	PD12000717
37	[REDACTED]	PD12000717
38	[REDACTED]	PD12000717
39	[REDACTED]	PD12000717
40	[REDACTED]	PD14000292
41	[REDACTED]	PD110000352
42	[REDACTED]	PD14000292
43	[REDACTED]	PD14000710
44	[REDACTED]	PD13000859
45	[REDACTED]	PD09000312

46	[REDACTED]	PD12000717
47	[REDACTED]	PD09000312
48	[REDACTED]	PD12000717
49	[REDACTED]	PD12000717
50	[REDACTED]	PD12000717
51	[REDACTED]	PD12000717
52	[REDACTED]	PD110000352
53	[REDACTED]	PD110000352
54	[REDACTED]	PD110000352
55	[REDACTED]	PD110000352
56	[REDACTED]	PD110000352
57	[REDACTED]	PD110000352
58	[REDACTED]	PD110000352
59	[REDACTED]	PD110000352
60	[REDACTED]	PD110000352
61	[REDACTED]	PD110000352

Appendix B

Section 1.2.

ELSAG NORTH AMERICA, LLC EXTENDED HARDWARE LIMITED WARRANTY COVERAGE

ELSAG North America, LLC ("ELSAG") warrants this ELSAG hardware product against defects in design, materials and workmanship under normal use in accordance with the specifications and documentation for the period designated above ("Warranty Period"). If a hardware defect arises and a valid claim is received within the Warranty Period, at its option and to the extent permitted by law, ELSAG will either (1) repair the hardware defect at no charge, using new or refurbished replacement parts, or (2) exchange the product with a product that is new or which has been manufactured from new or serviceable used parts and is at least functionally equivalent to the original product.

EXCLUSIONS AND LIMITATIONS

ELSAG does not warrant that the operation of the Product will be uninterrupted or error free. ELSAG is not responsible for damage arising from failure to follow instructions relating to the Product's use. This warranty does not apply: (a) to errors or defects caused by persons or entities other than ELSAG, including, without limitation, errors or defects in any third-party software or products and errors or defects caused by modifications to the Product (including upgrades and repairs) by someone other than ELSAG or an ELSAG Authorized Service Provider; (b) to any breach of the Product (camera and trunk box/processing unit) seal by someone other than ELSAG or an ELSAG Authorized Service Provider; (c) to pre-existing conditions in the installation environment or vehicle; (d) to damage from accident, abuse, misuse or introduction of foreign objects into the Product; (e) to unauthorized Product repairs, modifications or alterations; (f) to failure to follow the manufacturer's instructions; (g) to third party actions (i.e., fire, collision, vandalism, theft, etc.); (h) to elements of acts of war or acts of God; (i) to battery leakage or improper use of any electrical source; (j) to cosmetic or structural damage to case or frame of the Product or to any non-operating part including decorative parts; (k) to any damage to the Product covered by an insurance policy (in such a case, this Warranty will cover any applicable deductible, subject to the terms of coverage and exclusions set forth herein); (l) to preventative maintenance; (m) to any damage which is not reported during the Term of this Warranty; (n) to costs associated with the installation, removal or reinstallation of the Product; and (o) to consumable parts, such as batteries, unless damage has occurred due to a defect in materials or workmanship. Items not covered under warranty (but available for purchase) include; camera glass, batteries and any and all cables.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY AND REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL OR WRITTEN, STATUTORY, EXPRESS OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, ELSAG SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY,

FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. IF ELSAG CANNOT LAWFULLY DISCLAIM STATUTORY OR IMPLIED WARRANTIES THEN TO THE EXTENT PERMITTED BY LAW, ALL SUCH WARRANTIES SHALL BE LIMITED IN DURATION TO THE DURATION OF THIS EXPRESS WARRANTY AND TO REPAIR OR REPLACEMENT SERVICE AS DETERMINED BY ELSAG IN ITS SOLE DISCRETION. No ELSAG reseller, agent or employee is authorized to make any modification, extension, or addition to this warranty. If any term is held to be illegal or unenforceable, the legality or enforceability of the remaining terms shall not be affected or impaired.

ELSAG's maximum liability under this Warranty, whether in contract, tort (including negligence or strict liability), or otherwise, shall be the cost of repair or replacement of the affected Products. EXCEPT AS PROVIDED IN THIS WARRANTY AND TO THE EXTENT PROVIDED BY LAW, ELSAG IS NOT RESPONSIBLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR CONDITION, OR UNDER ANY OTHER LEGAL THEORY IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSS OF USE; LOSS OF REVENUE; LOSS OF ACTUAL OR ANTICIPATED PROFITS (INCLUDING LOSS OF PROFITS ON CONTRACTS); LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF BUSINESS; LOSS OF OPPORTUNITY; LOSS OF GOODWILL; LOSS OF REPUTATION, WHETHER OR NOT ELSAG IS OR HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.

For technical support or to arrange for service on your ELSAG product, call our toll free 24 hour hotline at 1-866-9MPH900.

Appendix EE
Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto

shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall

be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a

proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation

i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

1. The chief executive officer of the Contractor is:

Michael M. Warner (Name)
Selex ES, Inc. 11300 W. 89th, Overland Park, KS 66214 (Address)
913-495-2654 (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor
3. In the past five years, Contractor _____ has X has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

108

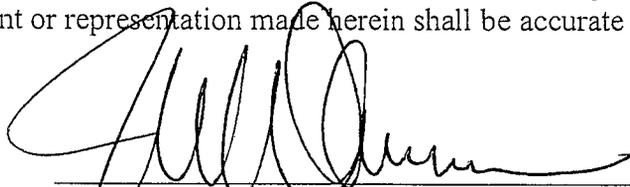
4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has X has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

6-25-15

Dated



Signature of Chief Executive Officer

Mike M. Warner
Name of Chief Executive Officer

Sworn to before me this

25 day of June, 2015

Mary C. Dreiling
Notary Public

Mary C. Dreiling
Notary Public
State of Kansas
My appointment expires 11-19-16

6AB



Certified: --

E-69-22

Filed with the Clerk of the Nassau County Legislature on June 6, 2022 4:05pm

NIFS ID: CQAT22000008

Capital:

Contract ID #: CQAT22000008

NIFS Entry Date: 05/17/2022

Department: County Attorney

Service: special counsel (Ramsaroop)

Term: March 25, 2022 to completion of services

Contract Delayed: X

Slip Type: New		
CRP:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: Law Office of Vincent D. McNamara	ID#: 113412357
Main Address: 1045 Oyster Bay Road East Norwich, NY 11732	
Main Contact: Vincent McNamara	
Main Phone: (516) 922-9100	

Department:
Contact Name: Mary Nori
Address: 1 West Street Mineola, New York 11501
Phone: (516) 571-6083
Email: mnori@nassaucountyny.gov

Contract Summary

<p>Purpose: This is a new contract with special counsel firm Law Office of Vincent McNamara ("Counsel") to represent the County in the case known as Ramsaroop v. County of Nassau, et al., Index No. 604994/2020, a complex medical malpractice case involving allegations that Nassau County Police Medics failed to provide proper emergency care to plaintiff's principal (the "Services").</p>
<p>Method of Procurement: A Request for Qualifications ("RFQ") was issued and a panel of firms qualified to provide legal services for the County has been established. The firm Law Office of Vincent D. McNamara has submitted a proposal in response to the RFQ and has been added to this panel. After a review of the panel, based on the firm's experience, expertise in the subject matters, and availability, the firm has been determined to be qualified by the Department in the areas of law listed in the attached routing sheet and assigned the case provided in the attached routing sheet.</p>
<p>Procurement History: New Contract. Please see method of procurement above.</p>
<p>Description of General Provisions: As described above.</p>
<p>Impact on Funding / Price Analysis: The maximum amount of this contract is \$132,500.00, with an initial encumbrance of</p>

\$75,000.00.
Change in Contract from Prior Procurement: N/A - this is a new contract.
Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	10	1100	DE	ATGEN1100	DE502	ATGEN1100 DE502	01	\$75,000.00
TOTAL								\$75,000.00

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$75,000.00
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$75,000.00

Routing Slip

Department			
NIFS Entry	Mary Nori	05/18/2022 05:21PM	Approved
NIFS Final Approval	Daniel Gregware	05/18/2022 05:34PM	Approved
Final Approval	Daniel Gregware	05/18/2022 05:34PM	Approved
County Attorney			
Approval as to Form	Daniel Gregware	05/20/2022 04:19PM	Approved
RE & Insurance Verification	Nick Sarandis	05/19/2022 10:59AM	Approved
NIFS Approval	Daniel Gregware	05/20/2022 04:26PM	Approved
Final Approval	Daniel Gregware	05/20/2022 04:26PM	Approved
OMB			
NIFS Approval	Jeff Nogid	05/20/2022 04:01PM	Approved
NIFA Approval	Irfan Qureshi	05/25/2022 09:35AM	Approved
Final Approval	Irfan Qureshi	05/25/2022 09:35AM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Robert Cleary	05/31/2022 05:13PM	Approved
DCE Compliance Approval	Robert Cleary	05/31/2022 05:14PM	Approved
Vertical DCE Approval	Arthur Walsh	06/01/2022 11:35AM	Approved
Final Approval	Arthur Walsh	06/01/2022 11:35AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/10/2022 03:42PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE OFFICE OF THE NASSAU COUNTY ATTORNEY, AND THE LAW OFFICE OF VINCENT D. MCNAMARA

WHEREAS, the County has negotiated a personal services agreement with the Law Office of Vincent D. McNamara to provide legal services, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said agreement with the Law Office of Vincent D. McNamara.

SPECIAL COUNSEL AGREEMENT

THIS AGREEMENT, (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement"), dated as of the date (the "Effective Date") that this Agreement is executed by Nassau County, is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the **Office of the Nassau County Attorney**, having its principal office at One West Street, Mineola, New York 11501 (the "Department"), and (ii) **Law Office of Vincent D. McNamara**, with an office located at 1045 Oyster Bay Road, Suite 1, East Norwich, New York 11732 ("Counsel" or "Contractor").

WITNESSETH:

WHEREAS, pursuant to Nassau County Charter Section 1101, the County Attorney has determined the need for the employment of special counsel; and

WHEREAS, the County desires to hire Counsel to perform the services described in this Agreement; and

WHEREAS, Counsel is eminently qualified and ready to provide the necessary services; and

WHEREAS, Counsel desires to perform the services described in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence on March 25, 2022, and shall terminate upon the completion of services, as hereinafter described, unless sooner terminated in accordance with the provisions of this Agreement.

2. Services. The services to be provided by Counsel under this Agreement shall consist of representing the County in the case known as Ramsaroop v. County of Nassau, et al., Index No. 604994/2020, a complex medical malpractice case involving allegations that Nassau County Police Medics failed to provide proper emergency care to plaintiff's principal (the "Services"). Services under this Agreement shall include, but not be limited to, motion practice; pre-trial discovery; trial; appeals; and such other Services as may be required to fully represent the County. When providing such Services, Counsel must comply with Nassau County's Litigation Management Guidelines, as may be amended (the "Guidelines"), provided under separate cover and incorporated by reference herein. Except as otherwise provided in this Agreement, such Services shall conclude no earlier than entry of a verdict or a settlement or of a court-order terminating the above-described litigations.

3. Payment. (a) Amount of Consideration. (1) The amount to be paid to Counsel as full consideration for Counsel's Services under this Agreement, including disbursements, shall not exceed the sum of One Hundred Thirty-Two Thousand Five Hundred Dollars (\$132,500.00) ("Maximum Amount"). Compensation for professional services shall be paid at an hourly rate according to the

following fee schedule:

- | | |
|---------------------------|----------|
| (i) Partner: | \$215.00 |
| (ii) Of Counsel: | \$215.00 |
| (iii) Associate: | \$185.00 |
| (iv) Paralegal/Law Clerk: | \$90.00 |

(2) Any appearances before the County Legislature, or any committee thereof for the purpose of the approval of this Agreement or any amendment thereto, are to be construed as part of the fee negotiation and approval process and Counsel agrees that no fee will be charged for any such appearances.

(3) Partial Encumbrance. Counsel acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement. Counsel further acknowledges that the initial encumbrance shall be Seventy-Five Thousand Dollars (\$75,000.00). Thereafter, the Department shall notify Counsel of the availability of additional monies, which written notice shall include the amount encumbered. Such notification shall serve as notice to proceed.

(b) Vouchers; Voucher Review, Approval and Audit. Payment shall be made to Counsel in arrears and shall be contingent upon (i) Counsel submitting a claim voucher (the "Voucher") in a form satisfactory to the County, that (a) is accompanied by a contemporaneous record of hours billed stating the person(s) performing the Services and indicating with reasonable specificity, the Services provided and the payment requested in consideration for such Services, or contains a detailed, itemized list of allowable expenses; (b) certifies that the Services rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and upon (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(c) Timing of Payment Claims. Counsel shall submit its claim no later than three (3) months following the County's receipt of the services that are the subject of the claim, and no more frequently than once a month.

(d) Expenses and Disbursement. Counsel shall be compensated within the Maximum Amount for all reasonable expenses and disbursements actually incurred, including but not limited to out-of-pocket disbursements for investigators, trial preparation services, court reporting services, interpreters, and other legitimate expenses in accordance with the Guidelines. Counsel shall obtain prior written approval from the County Attorney or his designee for all non-routine expenses and disbursements as specified in the Guidelines.

(e) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between Counsel and any funding source including the County.

(f) Payments in Connection with Termination or Notice of Termination. Unless a provision of this Agreement expressly states otherwise, payments to Counsel following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior

to termination, (ii) authorized by this Agreement to be performed, and (iii) not performed after Counsel received notice that the County did not desire to receive such services.

4. Independent Contractor. Counsel is an independent contractor of the County. Counsel shall not, nor shall any officer, director, employee, servant, agent or independent contractor of Counsel (a "Counsel Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).

5. No Arrears or Default. Counsel is not in arrears to the County upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance with Law. (a) Generally. Counsel shall comply with any and all applicable Federal, State and local Laws, including, but not limited to those relating to conflicts of interest, human rights, a living wage, disclosure of information and vendor registration in connection with its performance under this Agreement. In furtherance of the foregoing, Counsel is bound by and shall comply with the terms of Appendix EE attached hereto and with the County's registration protocol. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, Counsel agrees as follows:

- (i) Counsel shall comply with the applicable requirements of the Living Wage Law, as amended.
- (ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Counsel has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.
- (iii) It shall be a continuing obligation of Counsel to inform the County of any material changes in the content of its certification of compliance, attached to this Agreement as Appendix L, and shall provide to the County any information necessary to maintain the certification's accuracy.

(c) Records Access. The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement remains the sole property of the County and shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. Counsel acknowledges that Counsel Information in the County's possession may be subject to disclosure under Article 6 of the New York State Public Officer's Law ("Freedom of Information Law" or "FOIL"). In

the event that such a request for disclosure is made, the County shall make reasonable efforts to notify Counsel of such request prior to disclosure of the Information so that the Counsel may take such action as it deems appropriate.

(d) Prohibition of Gifts. In accordance with County Executive Order 2-2018, Counsel shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with Counsel on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. Counsel shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(e) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, Counsel has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where Counsel employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. Counsel shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

(f) Vendor Code of Ethics. By executing this Agreement, the Contractor hereby certifies and covenants that:

- (i) The Contractor has been provided a copy of the Nassau County Vendor Code of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
- (ii) All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
- (iii) All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
- (iv) The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;
- (v) The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement; and
- (vi) The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement.

7. Ownership of Records. All County Information provided to Counsel by the County shall remain the property of the County. All reports, documents or information created by Counsel on behalf of the County shall be deemed the property of the County. Upon the County's request, completion of Services, or termination of this Agreement, all such County Information, reports,

documents or information shall be returned to the County.

8. Service Standards. Regardless of whether required by Law: (a) Counsel shall, and shall cause Counsel Agents to, conduct his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.

(b) Counsel shall deliver Services under this Agreement in a professional manner consistent with the best practices of the legal profession. Counsel shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Counsel Agents to obtain and maintain, all approvals, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

9. No Conflict Representation. During the term of this Agreement, Counsel shall not represent any party whose interest is or may be adverse to or in conflict with, or whose interest may appear to be adverse to or in conflict with the County, nor shall it commence any action or proceeding, or act as Counsel in any action or proceeding that is adverse to the County or any County officer or employee, without the County's prior written consent.

10. Indemnification; Defense; Cooperation. (a) Counsel shall indemnify, defend and hold harmless the County, the Department and its officers, employees, and agents (the "Indemnified Parties") from and against any and all liabilities arising out of or in connection with performance under this Agreement by Counsel or a Counsel Agent, provided, however, that the Counsel shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.

(b) Counsel shall, upon the County's demand and at the County's direction, promptly and diligently defend, at Counsel's own risk and expense, any and all suits, actions, or proceedings which may be brought or instituted against one or more Indemnified Parties for which Counsel is responsible under this Section, and, further to Counsel's indemnification obligations, Counsel shall pay and satisfy any judgment, decree, loss or settlement in connection therewith.

(c) Counsel shall, and shall cause Counsel Agents to, cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or proceeding in connection with this Agreement, including the acts or omissions of Counsel and/or a Counsel Agent in connection with this Agreement.

(d) The provisions of this Section shall survive the termination of this Agreement.

11. Insurance. (a) Types and Amounts. Counsel shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit of liability of not less than One Million Dollars (\$1,000,000.00) per claim (iii) compensation insurance for the benefit of the Counsel's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iv) such additional insurance as the County may from time to time specify.

(b) Acceptability; Deductibles; Subcontractors. All insurance obtained and maintained by Counsel pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers

licensed to do business in New York State and acceptable to the County, and which is (ii) in form and substance acceptable to the County. Counsel shall be solely responsible for the payment of all deductibles to which such policies are subject. Counsel shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by Counsel under this Agreement.

(c) Delivery; Coverage Change; No Inconsistent Action. Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the insurance coverage required by this Agreement shall be delivered to the Department. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, Counsel shall provide written notice to the Department of the same and deliver to the Department renewal or replacement certificates of insurance. Counsel shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take or omit to take any action that would suspend or invalidate any of the required coverages. The failure of Counsel to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of Counsel to maintain the other required coverages shall be deemed a material breach of this Agreement upon which the County reserves the right to consider this Agreement terminated as of the date of such failure.

12. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

13. Termination. (a) Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to Counsel, (ii) for "Cause" by the County immediately upon the receipt by Counsel of written notice of termination, (iii) upon mutual written Agreement of the County and the Counsel, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

(b) By Counsel. This Agreement may be terminated by Counsel if performance becomes impracticable through no fault of the Counsel, where the impracticability relates to Counsel's ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by Counsel delivering to the commissioner or other head of the Department (the "Commissioner"), at least sixty (60) days prior to the termination date (or a shorter period if sixty days' notice is impossible), a notice stating (i) that Counsel is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the Counsel's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.

(c) Counsel Assistance upon Termination. In connection with the termination or impending termination of this Agreement the Counsel shall, regardless of the reason for termination, take all actions reasonably requested by the County (including those set forth in other provisions of this Agreement) to assist the County in transitioning Counsel's responsibilities under this Agreement. The provisions of this subsection shall survive the termination of this Agreement.

14. Accounting Procedures; Records. The Contractor shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles and, if the Contractor is a non-profit entity, must comply with the accounting guidelines set forth in the applicable provisions of the Code of Federal Regulations, 2 C.F.R. Part 200, as may be amended. Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, any other governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

15. Limitations on Actions and Special Proceedings against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief, Counsel shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. Counsel shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of Counsel shall allege that the above-described actions and inactions preceded Counsel's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

16. Work Performance Liability. The Counsel is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Counsel is using a Counsel Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Counsel Agent has been approved by the County.

17. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and *forum non conveniens*. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

18. Notices. Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand

delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name Counsel shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to Counsel, to the attention of the person who executed this Agreement on behalf of Counsel at the address specified above for Counsel, or in each case to such other persons or addresses as shall be designated by written notice.

19. All Legal Provisions Deemed Included; Severability; Supremacy. (a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

(d) Each party has cooperated in the negotiation and preparation of this Agreement. Therefore, in the event that construction of this Agreement occurs, it shall not be construed against either party as drafter.

20. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

21. Administrative Service Charge. Counsel agrees to pay the County an administrative service charge of Five Hundred Thirty-Three Dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Numbers 201-2001, 128-2006, and 153-2018. The administrative service charge shall be due and payable to the County by Counsel upon signing this Agreement.

22. Executory Clause. Notwithstanding any other provision of this Agreement:

(a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all requisite County and other governmental approvals have been obtained, including, if required, approval by the County Legislature and (ii) this Agreement has been executed by the County Executive (as defined in this Agreement).

(b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

(c) NIFA Approval. County contracts with a Maximum Amount equal to or greater than Fifty Thousand Dollars (\$50,000.00) require the approval of the Nassau County Interim Finance Authority ("NIFA") during the control period declared by NIFA on January 26, 2011, with limited exceptions. NIFA also requires that when the aggregate of contracts issued to a particular vendor for the provision of similar services is equal to or greater than \$50,000 in any 12-month period they be subject to NIFA approval even if each individual contract is less than \$50,000. NIFA has advised the County that NIFA's approval is subject, among other things, to the following limitation: payment to Counsel under this Agreement for Services, including related expenses and disbursements, rendered prior to the later of (i) the date of NIFA approval or (ii) full execution of the Agreement (such date, the "Approval Date") shall not exceed the sum of Fifty Thousand Dollars (\$50,000.00). Counsel therefore acknowledges that charges incurred over Fifty Thousand Dollars (\$50,000.00) prior to the Approval Date shall not be approved by NIFA, and shall not be paid by the County, unless NIFA makes an exception to its policy. Accordingly, to mitigate against exposure, Counsel shall provide the following notice to the Department:

- (A) If Counsel anticipates incurring costs in excess of Fifty Thousand Dollars (\$50,000.00) prior to the Approval Date, Counsel shall provide written notice to the Department at least Forty-five (45) days prior to the date on which Counsel anticipates reaching the Fifty Thousand Dollar (\$50,000.00) cap.
- (B) If Counsel has reached or anticipates reaching the Fifty Thousand Dollar (\$50,000.00) cap prior to the Approval Date, and in less than Forty-five (45) days, Counsel shall provide the Department with immediate written notice.

Upon receipt of such notice, the Department will review and advise Counsel of the Department's intended course of action, which, in appropriate cases as determined by the Department, may include seeking a waiver from NIFA.

23. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, Counsel and the County have executed this Agreement as of the Effective Date.

LAW OFFICE OF VINCENT D. MCNAMARA

By: Vincent D. McNamara

Name: Vincent D. McNamara

Title: Principal

Date: April 11, 2022

NASSAU COUNTY

By: Thomas A. Adams

Name: Thomas A. Adams

Title: County Attorney

Date: May 18, 2022

NASSAU COUNTY

By: _____

Name: _____

Title: County Executive

Deputy County Executive

Date: _____

PLEASE EXECUTE IN BLUE INK

Appendix EE
Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

- (a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.
- (b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.
- (c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
- (d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.
- (e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.
- (f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

- (g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan and any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.
- (h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.
- (i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.
- (j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.
- (k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.
- (l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:
 - a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
 - b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful,

the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.

- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrator's award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

- (m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (j) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand

dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blueprints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.

- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), Counsel hereby certifies the following:

1. The chief executive officer of Contractor is:

Vincent D. McNamara (Name)
1045 Oyster Bay Road, Suite 1
East Norwich, New York 11732 (Address)
(516) 922-9100 (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the Contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such Contractor establishes to the satisfaction of the Department that at the time of execution of this Agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

3. In the past five years, Contractor _____ has X has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has X has not been commenced against or relating to

the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

April 11, 2022
Dated

Vincent D. McNamara
Signature of Chief Executive Officer

Vincent D. McNamara
Name of Chief Executive Officer

Sworn to before me this

11th day of April, 2022.

Margaret M. Grady
Notary Public

MARGARET M. GRADY
Notary Public, State of New York
No. 01GR6305784
Qualified in Nassau County
My Commission Expires June 09, 2022



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Law Office of Vincent D. McNamara

2. Amount requiring NIFA approval: \$132,500.00

Amount to be encumbered: \$75,000.00

Slip Type: New

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: to March 25, 2022 to completion of services

Has work or services on this contract commenced? Yes

If yes, please explain: ongoing litigation

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

This is a new contract with special counsel firm Law Office of Vincent McNamara ("Counsel") to represent the County in the case known as Ramsaroop v. County of Nassau, et al., Index No. 604994/2020, a complex medical malpractice case involving allegations that Nassau County Police Medics failed to provide proper emergency care to plaintiff's principal (the "Services").

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

05/25/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Elaine Phillips
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Law Office of Vincent D. McNamara

CONTRACTOR ADDRESS: 1045 Oyster Bay Road, Suite 1, East Norwich, NY 11732

FEDERAL TAX ID #: [REDACTED]

Instructions: Please check the appropriate box (“”) after one of the following roman numerals and provide all the requested information.

I. **The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids.** The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date], _____ [#] of sealed bids were received and opened.

II. **The contractor was selected pursuant to a Request for Proposals.**

The Contract was entered into after a written request for proposals was issued on _____ [date]. Potential proposers were made aware of the availability of the RFP by advertisement in _____ [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on _____ [date], _____ [state #] proposals were received and evaluated. The evaluation committee consisted of:

_____ (list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. **This is a renewal, extension or amendment of an existing contract.**

The contract was originally executed by Nassau County on _____ [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after _____ [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**

B. A Request for Qualifications ("RFQ") was issued and a panel of firms qualified to provide legal services for the County has been established. The firm Law Office of Vincent D. McNamara has submitted a proposal in response to the RFQ and has been added to this panel. After a review of the panel, based on the firm's experience, expertise in the subject matters, and availability, the firm has been determined to be qualified by the Department in the areas of law listed in the attached routing sheet and assigned the case provided in the attached routing sheet.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.

B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).

C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

D. Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

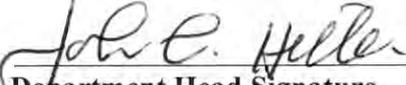
VIII. Participation of Minority Group Members and Women in Nassau County

Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.



Department Head Signature
18 May 2022
Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.

Compt. form Pers./Prof. Services Contracts: Rev. 01/18



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

Friends of Ed Mangano
Martins for Nassau

1 File(s) uploaded: POLITICAL CONTRIBUTIONS - County Executive.pdf

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Vincent D. McNamara [INFO@VDM-LAW.COM]

Dated: 06/03/2022 05:49:38 PM

Vendor: Law Office of Vincent D. McNamara

Title: Principal

SCHEDULE OF EVENTS

TUESDAY, JUNE 7TH, 2016
BETHPAGE STATE PARK, RED & BLUE COURSE

6:30AM – Registration & Breakfast

7:30AM – Shotgun Start

1:00PM – Old Fashioned BBQ at Carlyle on the Green

\$1,250 PER GOLFER

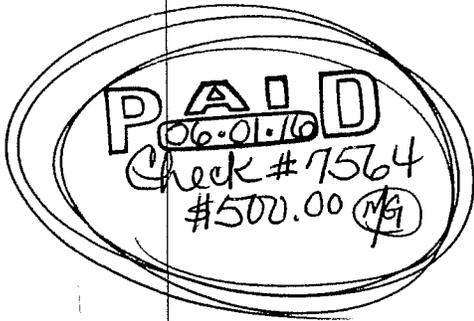
Includes: Giveaways and goodie bags, breakfast,
refreshments and BBQ.

\$100 BBQ ONLY (1:00 PM)

For additional information please contact:

FriendsofEdManganoRSVP@gmail.com

See enclosed card for sponsorship information.

A large graphic for the event. It features a central golf ball with the text "ANNUAL GOLF CLASSIC" arched over the top, "COUNTY EXECUTIVE" in the middle, "ED MANGANO" arched over the bottom, and "2016" at the very bottom. Two golf clubs are positioned behind the ball, their heads pointing outwards. The background is a black and white photograph of a golf course with trees and a sky.

AND
OLD FASHIONED BBQ
TUESDAY, JUNE 7, 2016 • BETHPAGE STATE PARK

**FRIENDS OF ED MANGANO ANNUAL
GOLF CLASSIC & OLD FASHIONED BBQ**

GOLF SPONSORSHIPS

- Masters Sponsor: \$10,000**
(includes 1 foursome, choice of course and starting hole)
- PGA Champ Sponsor: \$8,500**
(includes 1 foursome, choice of course)
- US Open Sponsor: \$7,500**
- BBQ Sponsor: \$5,000**
- Breakfast Sponsor: \$2,500**
- Trophy Sponsor: \$1,000**
- BBQ Only: \$100 (5 Tickets) \$500.00**

I am unable to attend, however, I would like to make a contribution to Friends of Ed Mangano

\$ _____

**LAW OFFICE OF VINCENT D. McNAMARA
OPERATING ACCOUNT**
1045 OYSTER BAY ROAD-SUITE 1
EAST NORWICH, NY 11732
516-922-9100

Bank of America
ACH R/T 021000322

7564

1-32/210 NY
60313

6/1/2016

PAY TO THE ORDER OF Friends of Ed Mangano

\$ **500.00

Five Hundred and 00/100***** DOLLARS

Friends of Ed Mangano
Post Office Box 337
Bethpage, New York 11714

Margaret H. Beady
AUTHORIZED SIGNATURE

MEMO

Contribution (5 Tickets-06/07/16)

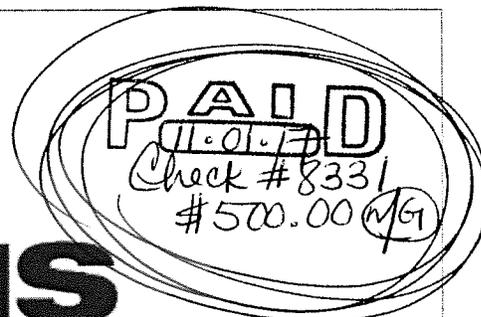
⑈007564⑈ ⑆021000322⑆ 009417160609⑈

[Print](#) | [Close Window](#)

Subject: Upcoming Martins for Nassau Event 📅 November 1st in Mineola!
From: Martins for Nassau HQ<Info@MartinsforNassau.com>
Date: Wed, Oct 25, 2017 1:43 pm
To: <vmcnamara@vdm-law.com>

[View this email in your browser](#)

**JACK
MARTINS**
COUNTY EXECUTIVE



Dear Friends,

Join the Friends of Jack Martins Committee at their reception for Jack on **Wednesday, November 1st** at The Jericho Terrace in Mineola. Please see the invitation below for details and how to RSVP.

Can't make it but you would like to support Jack?

Click here for more details.

As always, if you have any questions, please give our Headquarters a call (516-341-7407) or stop by - we are located at 721 Franklin Avenue in Franklin Square.

Onward to victory!
TEAM MARTINS

LAW OFFICE OF VINCENT D. McNAMARA
OPERATING ACCOUNT
1045 OYSTER BAY ROAD-SUITE 1
EAST NORWICH, NY 11732
516-922-9100

Bank of America
ACH R/T 021000322

8331

1-32/210 NY
60313

11/1/2017

PAY TO THE ORDER OF Martins for Nassau

\$ **500.00

Five Hundred and 00/100***** DOLLARS

Martins for Nassau
Post Office Box 12
Williston Park, New York 11596

MEMO

Contribution (11/01/17 - 1 VIP Ticket)


AUTHORIZED SIGNATURE

⑈008331⑈ ⑆021000322⑆ 009417160609⑈

PLEASE JOIN

Friends
of
Jack
Martins

FOR A COCKTAIL RECEPTION
IN SUPPORT OF
JACK MARTINS FOR COUNTY EXECUTIVE

Wednesday, November 1, 2017

Jericho Terrace

249 Jericho Turnpike, Mineola

VIP Reception: 5:30pm to 6:30pm

General Reception: 6:30pm to 8:30pm

TICKETS:

VIP - \$500

GENERAL - \$100

SPONSORSHIPS:

\$5,000 - 6 VIP TICKETS & SIGNAGE

\$2,500 - 4 VIP TICKETS & SIGNAGE

\$1,500 - 2 VIP TICKETS & SIGNAGE

Please make all checks payable to

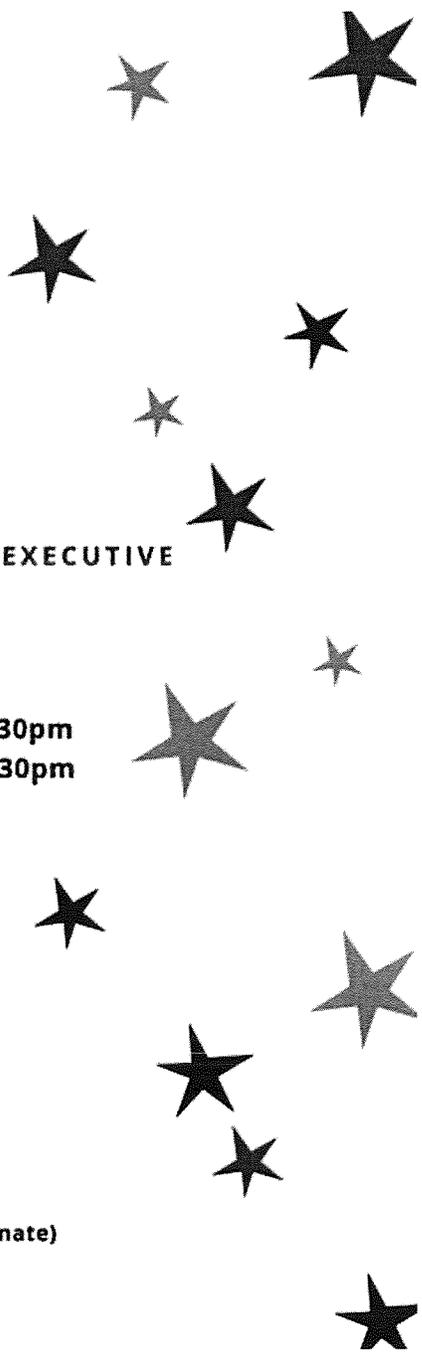
Martins for Nassau

P.O. Box 12, Williston Park, NY 11596

or www.MartinsForNassau.com (click donate)

RSVP to JackMartinsRSVP@gmail.com

###



Jack Martins is the Republican, Conservative and Reform Party nominee for Nassau County Executive. Jack is a former three-term New York State Senator, the former Mayor of Mineola, and lives in Nassau with his wife and four daughters. Jack Martins is focused on making Nassau County a better place to live, work and raise a family. As Nassau County Executive, Jack is committed to ending the corruption that has compromised the public's trust in government, protecting local property taxpayers and creating an economic renaissance to provide a brighter future for the middle class. The election is November 7, 2017.



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You are receiving this email because you have supported Jack Martins in the past.

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Martins for Nassau

PO Box 12

Williston Park, NY 11596

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PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Vincent D. McNamara
Date of birth: [REDACTED]
[REDACTED]
[REDACTED]
Country: US

Business Address: 1045 Oyster Bay Road
City: East Norwich State/Province/Territory: NY Zip/Postal Code: 11732
Country: US
Telephone: (516) 922-9100

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	<u>12/01/1997</u>
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

I am the Principal/Owner of the business.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Vincent D. McNamara , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Vincent D. McNamara , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Law Office of Vincent D. McNamara

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Vincent D. McNamara [INFO@VDM-LAW.COM]

Principal

Title

01/26/2022 05:01:10 PM

Date

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 01/22/2021

1) Proposer's Legal Name: Law Office of Vincent D. McNamara

2) Address of Place of Business: 1045 Oyster Bay Road, Suite 1

City: East Norwich State/Province/Territory: NY Zip/Postal Code: 11732

Country: US

3) Mailing Address (if different): Not applicable.

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: (516) 922-9100

Does the business own or rent its facilities? Rent If other, please provide details:

4) Dun and Bradstreet number: None.

5) Federal I.D. Number:

6) The proposer is a: Sole Proprietorship (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any
sanction imposed as a result of judicial or administrative proceedings with respect to any professional license
held?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable
federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES NO If yes, provide details for each such year. Provide a detailed response to all
questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the
questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly
state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict
of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may
create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau
County.

No conflict exists.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a
conflict of interest in acting on behalf of Nassau County.

No conflict exists.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

This office conducts a computer search of all of our files to determine if any conflict exists. We also conduct a conflict check with our employees with regard to the caption of the new matter.

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

1 File(s) Uploaded: Resume - Vincent D. McNamara.pdf

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

Vincent D. McNamara

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

We have no Board Officers.

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

v) The number of employees in the firm;

vi) Annual revenue of firm;

vii) Summary of relevant accomplishments

viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

24

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

We have provided legal services to Nassau County since 2002 but on a more regular basis since 2015. This office is well-known at the Courthouse, and we have tried almost every type of case, including but not limited to

professional, legal and medical liability as well as general liability matters of myriad nature. We believe the County Attorney's Office has been pleased with the results we have achieved on some rather high exposure cases, including Ramirez (verdict with Block & O'Toole), DiMaria (false arrest and settled for under \$100K) and most recently Yun (December, 2021), wherein we achieved a defendant's verdict on a police chase matter which resulted in the death of the 58 year old high wage earner Ming Deng.

2 File(s) Uploaded: FIRM RESUME.pdf, Yun - Ltr to L. Kretzing - Case Disposition - Defense Verdict.pdf

- D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company	COUNTY OF SUFFOLK		
Contact Person	Lynne A. Bizzarro		
Address	100 Veterans Memorial Highway		
City	Hauppauge	State/Province/Territory	NY
Country	US		
Telephone	(631) 853-4065		
Fax #	(631) 853-5169		
E-Mail Address	Lynne.Bizzarro@suffolkcountyny.gov		

Company	F and L Claims Service, Inc.		
Contact Person	Stephen Lobaccaro		
Address	560 Broadhollow Road, Suite 202		
City	Melville	State/Province/Territory	NY
Country	US		
Telephone	(631) 393-6210		
Fax #	(631) 393-6211		
E-Mail Address	slobaccaro@fandlclaims.com		

Company	COMMUNITY ASSOCIATION UNDERWRITERS		
Contact Person	Lori A. Long		
Address	2 Caufield Place		
City	Newtown	State/Province/Territory	PA
Country	US		
Telephone	(267) 757-7125		
Fax #	(267) 757-0319		
E-Mail Address	llong@cau.com		

I, Vincent D. McNamara , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Vincent D. McNamara , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

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Name of submitting business: Law Office of Vincent D. McNamara

Electronically signed and certified at the date and time indicated by:
Vincent D. McNamara [INFO@VDM-LAW.COM]

Principal
Title

01/26/2022 02:09:53 PM
Date

VINCENT D. McNAMARA

VINCENT D. McNAMARA, was born on October 17, 1952.

He received his B.A. from St. John's University in January, 1974 and his J.D. in June, 1977 from the St. John's University School of Law. He was admitted to practice by the Appellate Division, Second Department, in February, 1978.

Currently, his work efforts are in the areas of professional liability, products liability, medical malpractice, construction litigation, premises liability, employment discrimination, directors and officers liability and appeals.

He is a member of the New York State Bar Association and its Special Committee on Volunteer Lawyers, the Nassau County Bar Association, the Nassau-Suffolk Trial Lawyers, the Defense Association of New York and the Defense Research Institute. He has lectured for the New York State Bar Association, the Nassau County Bar Association, the Suffolk County Bar Association Academy of Law, and the National Business Institute in the areas of products liability, premises liability and trial technique.

Mr. McNamara opened his own office in December, 1997 after many years as a partner in a litigation firm.

Representative clients include St. Paul Insurance Companies, CNA Risk Management, Community Association Underwriters of America, Inc., TIG Insurance Company, K&K, Great American Insurance Companies, HealthSouth, Nationwide, Mobil Oil Corp., A.O. Smith, Crane Carrier Company, Seneca Insurance Company, Inc., J. H. Albert, Franklin Hospital Medical Center, County of Nassau, County of Suffolk, Atlantic Risk Management, Crum & Forster and Medical Liability Mutual Insurance Company.

FIRM RESUME

**Law Office of Vincent D. McNamara
Tower Square
1045 Oyster Bay Road - Suite 1
East Norwich, New York 11732
(516) 922-9100 - Telephone
(516) 922-9208 - Facsimile**

VINCENT D. McNAMARA

VINCENT D. McNAMARA, was born on [REDACTED]

He received his B.A. from St. John's University in January, 1974 and his J.D. in June, 1977 from the St. John's University School of Law. He was admitted to practice by the Appellate Division, Second Department, in February, 1978.

Currently, his work efforts are in the areas of professional liability, products liability, medical malpractice, construction litigation, premises liability, employment discrimination, directors and officers liability and appeals.

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KAREN J. WALSH

KAREN J. WALSH was born on [REDACTED] and currently resides in West Babylon, New York.

She graduated Magna Cum Laude with a B.S. in Elementary Education/Special Education from Long Island University, C.W. Post Center in 1980. She was employed by the Federal Government, specifically the Social Security Administration as a Benefit Authorizer. In 1987, she was promoted to the position of Post Entitlement Technical Assistant.

She received her J.D. from Hofstra University School of Law in 1991 where she was an Articles Editor on the Hofstra Property Law Journal. In addition, she worked as a Research Assistant to Professor Vern R. Walker on two articles which he published in the field of Scientific Evidence. She is admitted to practice in all New York State Courts and the United States District Court, Eastern District of New York.

After law school, she was an associate with Mulholland, Minion & Roe from 1991 to January, 1998. She became a senior associate in 1997. During her tenure at Mulholland, Minion & Roe, she handled all aspects of the firm's litigation, including medical malpractice, legal malpractice, civil rights litigation, premises liability and products liability matters.

She is a member of the Nassau County Bar Association and the New York State Bar Association. She has lectured at St. John's University School of Law in connection with a Trial Advocacy Course.

Presently, she is associated with the Law Office of Vincent D. McNamara, where she handles all aspects of the firm's litigation, including medical malpractice, professional liability, premises liability and directors and officers liability.

HELEN M. BENZIE

HELEN M. BENZIE, graduated *magna cum laude* from Molloy College in Rockville Centre, New York, and received her J.D. from St. John's University School of Law in 1977. Admitted to practice in New York in 1978 by the Appellate Division, Second Department, subsequently she was admitted to practice before the United States Supreme Court, United States Court of Appeals for the Second and Eleventh Circuits, as well as the United States District Courts for the Southern and Eastern Districts of New York.

Ms. Benzie has handled primarily insurance and reinsurance litigation involving toxic tort and various insurance and reinsurance coverage issues related to the defense of personal injury, maritime and commercial liability actions. Defending in these actions, she has litigated in state and federal trial and appellate courts throughout the United States. She has also counseled insurers and reinsurers on the content of their insurance and reinsured agreements.

She is a member of the Association of the Bar of the City of New York, Nassau County Bar Association, New York state Bar Association, Maritime Law Association of the United States and Southeastern Admiralty Law Institute.

Her community involvement includes serving as an Arbitrator for the United States District Court, Eastern District of New York. She has taught as an Adjunct Professor in the Writing Program at New York Law School. In 1997, she was a panelist at the January Joint Meeting on Marine Insurance Regulation and the McCarran-Ferguson Act sponsored by the American Association of Law Schools.

In March 2003, she moderated the Journal of Legal Commentary Symposium on Terrorism and its Impact on Insurance: Legislative Responses and Coverage Issues at St. John's University School of Law. The Spring 2004 issue of St. John's Journal of Legal Commentary published her article on *War and Terrorism Risk Insurance*.

In 2004, she became associated with the Law Office of Vincent D. McNamara where she works in the areas of professional liability and coverage defense litigation after practicing for over 20 years with the law firm of Bigham Englar Jones & Houston in Manhattan.

CHARLES D. TEIXEIRA


dteixeira@vdm-law.com

ADMISSIONS

New York (2009)

United States District Court, Eastern District of New York (2010)

United States District Court, Southern District of New York (2010)

EXPERIENCE

LAW OFFICE OF VINCENT D. McNAMARA, East Norwich, New York (Present)

Civil litigation associate handling all aspects of the firm's litigation, including medical malpractice, professional liability, premises liability and directors and officers liability.

DELL & DEAN, PLLC, Garden City, New York (2014-2018)

Plaintiff's personal injury litigation associate, handling general negligence, automobile and premises liability matters. Responsible for court appearances, arbitrations, mediations and trials at both the state and federal level.

THE LEGAL AID SOCIETY OF SUFFOLK COUNTY, Central Islip, New York (2012-2014)

Bilingual staff attorney (English/Spanish) for suburban public defender's office, handling criminal matters from inception through trial, including motion practice, bail applications, hearings, Violations of Probation, and occasional felony-level offenses.

NANIS & RINALDI, LLP, Astoria, New York (2008-2011)

Litigation associate responsible for handling personal injury, real estate and commercial matters, including motion practice, court conferences, replevin actions and settlement negotiations in New York City and its surrounding jurisdictions.

EDUCATION

J.D., ST. JOHN'S UNIVERSITY SCHOOL OF LAW, Queens, New York (2008)

External Competition Team, Frank S. Polestino Trial Advocacy Institute

B.A., THE UNIVERSITY OF SCRANTON, Scranton, Pennsylvania (2005)

Recipient, Fr. Pedro Arrupe, S.J. Scholarship

DeMATHA CATHOLIC HIGH SCHOOL, Hyattsville, Maryland (2001)

Member, 2001 Maryland State Bar Association Champion Mock Trial Competition Team

VIN OCHANI

VIN.OCHANI@gmail.com

EDUCATION

ST. JOHN'S UNIVERSITY SCHOOL OF LAW, Jamaica, New York
J.D., June 2010

Honors: Mock Trial Competition Finalist (2008, 2009, 2010)
Activities: *Mock trial, Street Law Teaching Clinic.*

ST. JOHN'S COLLEGE OF PROFESSIONAL STUDIES, Jamaica, New York
B.A., *summa cum laude*, Criminal Justice, May 2006; Business Administration minor, May 2006
Academics: G.P.A.: 3.7

EXPERIENCE

THE DRESSLER LAW FIRM, PLLC, New York, New York

Partner and Of-counsel Attorney, April 2014-present

Attorney-at-law in fields of Personal Injury, Litigation, Transactional Real Estate, Criminal Law
Focus: Trial Work, Depositions, Court Appearances, Negotiations, Arbitrations

LAW OFFICE OF VINCENT D. McNAMARA, East Norwich, New York

Associate, June 2010-April 2014; Trial Counsel April 2014-Present

Attorney-at-law in fields of Personal Injury, Litigation, Transactional Real Estate, Criminal Law, Insurance Defense
Focus: Trial Work, Depositions, Court Appearances, Negotiations, Arbitrations

STREET LAW TEACHING CLINIC, Jamaica High School, Jamaica

Instructor, September 2008-January 2009

Taught 9th and 10th graders the basic principles of criminal justice, criminal law, constitutional rights, and the legal system through St. John's School of Law.

ST. JOHN'S UNIVERSITY, Jamaica, New York

Lecturer for Dr. Thomas Ward, September 2008-Present

Lectured on the Law School Admission process, becoming an attorney, life of an attorney, and various other elements of attending and completing a law school education

ST. JOHN'S SCHOOL OF LAW, Jamaica, New York

Mock Trial Coach and Trial Evaluator, September 2008-Present

Coached, Instructed and Evaluated various Mock Trial Teams and Competitions for the Internal and External Law School Mock Trial Program

ADAM B. DRESSLER, ESQ.- THE DRESSLER LAW FIRM, PLLC

Adam B. Dressler founded The Dressler Firm in 2012.

Adam's practice is focused on real estate transactions and civil and commercial litigation.

His advocacy and counselling are driven by an especially client centric approach where achieving each client's unique goals is always the overarching objective of each representation.

Adam earned his B.A. in Politics & Law and Philosophy from Binghamton University in 2007 and his J.D. from St. John's University School of Law in 2010.

Education:

J.D. St. John's University School of Law, 2010

B.A. Binghamton University, 2007

Prior Legal Experience:

LAW OFFICE OF VINCENT D. McNAMARA, East Norwich, New York
Of Counsel April 2014-Present

Attorney-at-law in fields of Personal Injury, Litigation, Transactional Real Estate, Criminal Law, Insurance Defense

Focus: Trial Work, Depositions, Court Appearances, Negotiations, Arbitrations

Rubenstein & Rynecki, Attorneys-at-Law, Brooklyn, NY
Associate Attorney, 2011 to 2012

Parisi and Leonick, PC, Glen Cove, NY
Paralegal, 2008 to 2011

Handled various real estate transactions including residential sales and purchases, zoning and land use matters, and refinances.

Margaret M. Grady

Margaret@vdm-law.com

OBJECTIVE To obtain a position as a Legal Secretary/Administrative Assistant offering career incentives, utilizing my A.A.S. in Paralegal Studies, Business Diploma, and 20+ years of related experience in legal office administration

SUMMARY OF QUALIFICATIONS

- *Highly organized and professional administrator with Notary Public license*
- *Excellent communicator skilled in client relations and problem-solving*
- *Extensive experience preparing a broad scope of legal documents*
- *Professional Paralegal with in-depth knowledge of law vocabulary*
- *Proficient in maintaining executive calendar including court appointments*
- *Managerial skill in hiring and supervising part-time seasonal*

BUSINESS BACKGROUND

1998-present LAW OFFICE OF VINCENT D. MCNAMARA, East Norwich, NY
Secretary to Partner
Recruited by principal of former law firm to provide administrative support to the founder of a practice with 7 Associates specializing in medical malpractice and personal injury.

- Maintain executive calendar including personal, professional and court appointments
- Plan and prepare travel itineraries including accommodation and transportation
- Independent preparation of Answers, Motions, Pleadings, Bills of Particulars, Expert Disclosures, Discovery Requests and Responses and Trial Memoranda
- Compile medical records for review by health care experts
- Screen incoming calls and visitors as primary liaison to attorney
- Administrative responsibility for payroll, bank deposits, weekly expense reporting, accounts payable, and equipment maintenance

1993-1998 MULHOLLAND, MINION & ROE, Williston Park, NY
Legal Secretary

- Provided legal administrative support to a private practice with 5 Associates
- Prepared legal documentation and maintained computerized client records
- Recruited by senior partner as personal Secretary in a new law firm

1983-1993 MONTFORT, HEALY, MCGUIRE & SALLEY, Garden City, NY
Legal Secretary

- Diversified administrative duties in a pool supporting 20 Associates

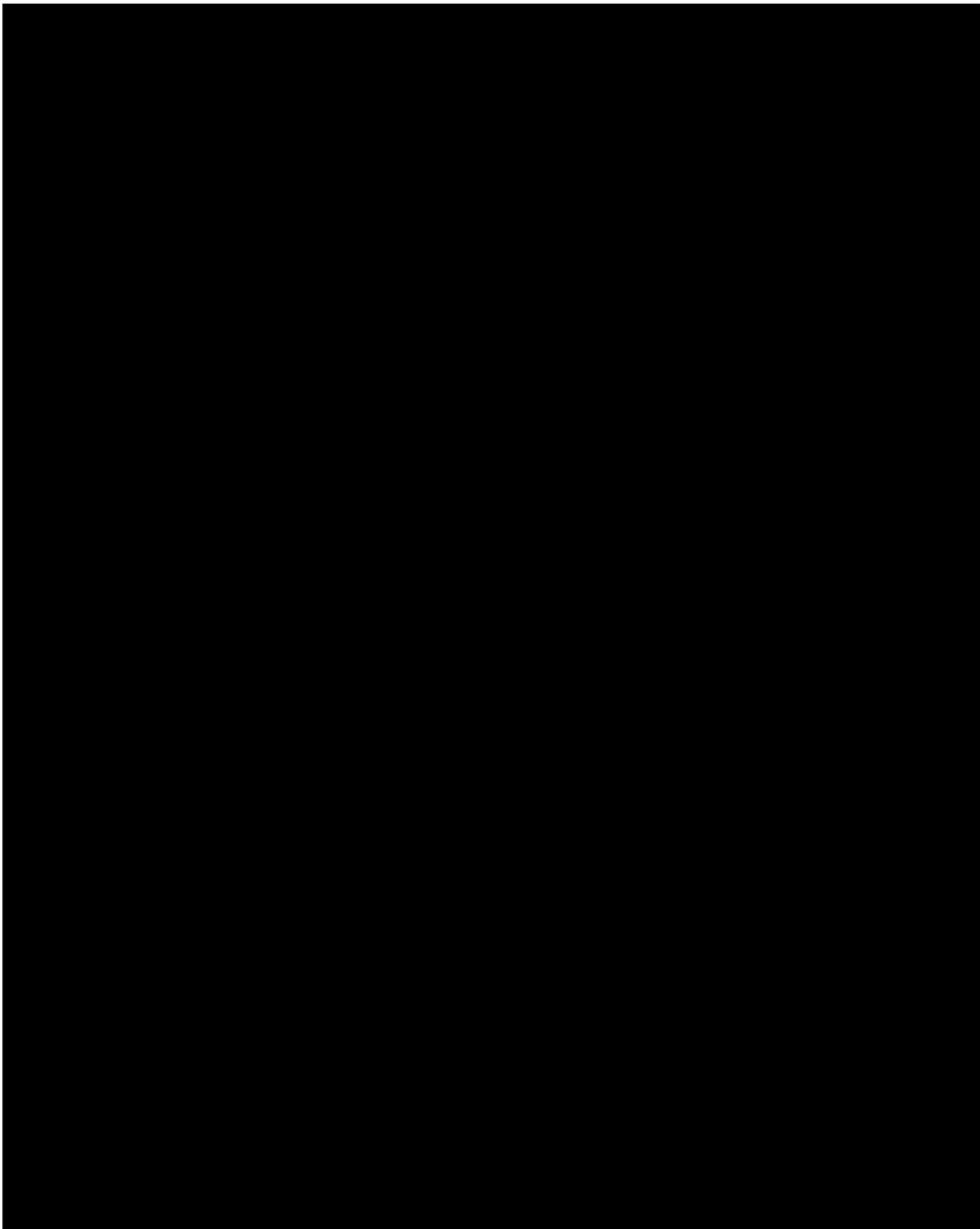
EDUCATION NASSAU COMMUNITY COLLEGE, Garden City, NY
A.A.S., Paralegal Studies (1993)

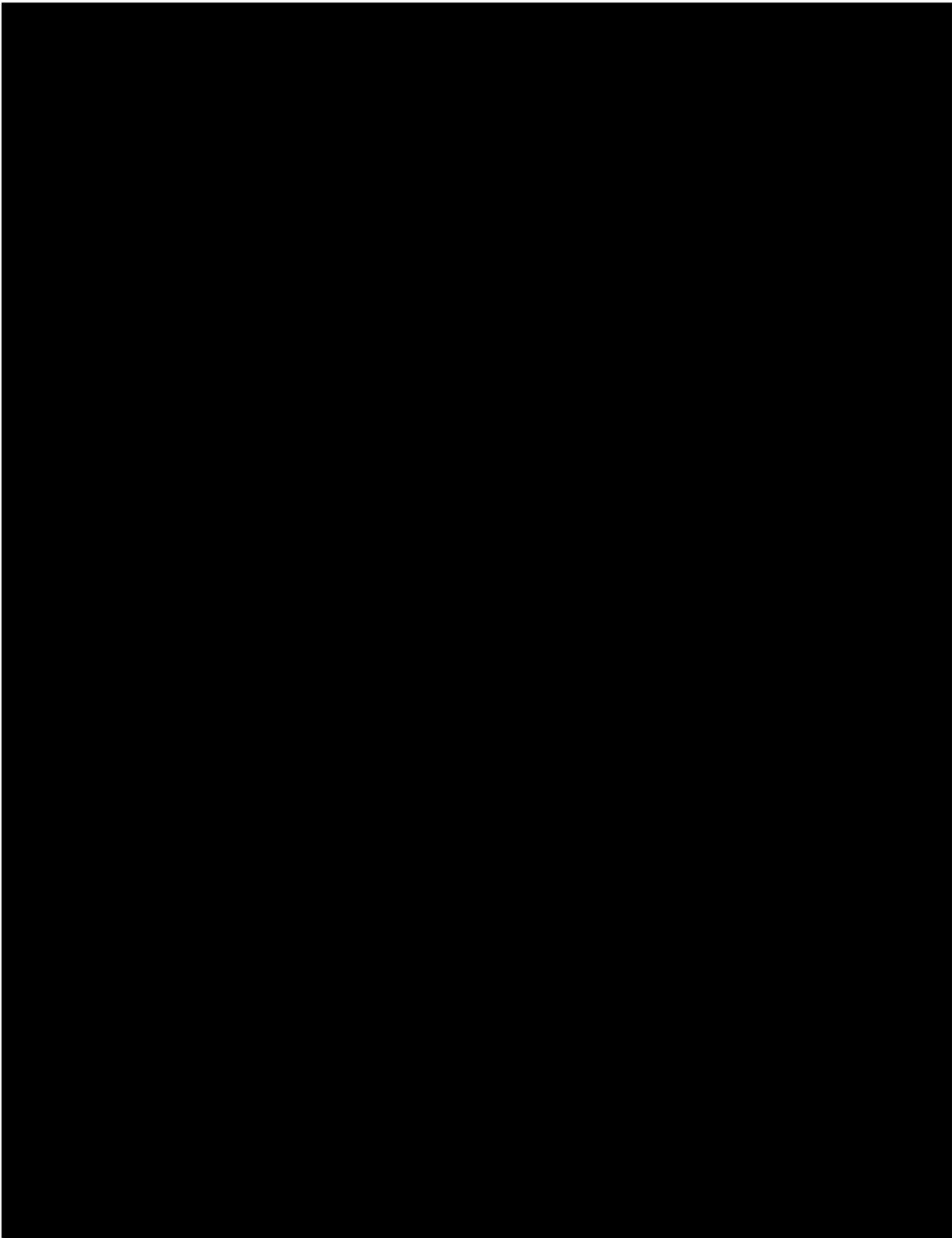
BERKELEY BUSINESS SCHOOL, Hicksville, NY
Diploma, Office Technology/Legal Assistant (1982)

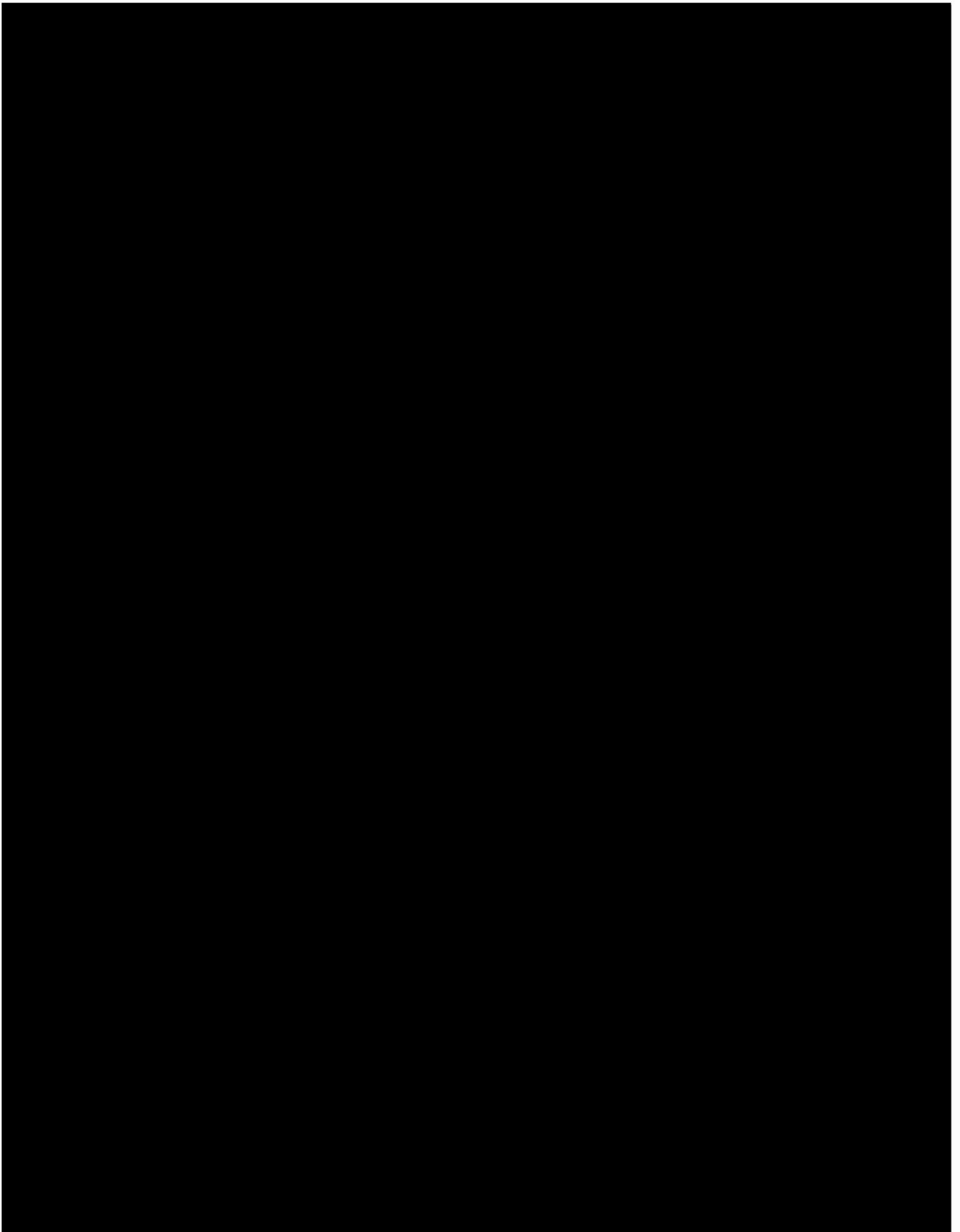
LICENSING New York State Notary Public

SKILLS WordPerfect/Corel 8.0, Microsoft Word, some Westlaw, Quick Books. Shorthand.

REFERENCES Available upon request







COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Law Office of Vincent D. McNamara

Address: 1045 Oyster Bay Road

City: East Norwich State/Province/Territory: NY Zip/Postal Code: 11732

Country: US

2. Entity's Vendor Identification Number: [REDACTED]

3. Type of Business: Other (specify) Sole Proprietorship.

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

None. Vincent D. McNamara is the sole Member/Partner and Owner of Business.

1 File(s) uploaded BUSINESS CERTIFICATE.pdf

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

None.

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:
Vincent D. McNamara [INFO@VDM-LAW.COM]

Dated: 01/26/2022 05:04:25 PM

Title: Principal

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

483003894283



NASSAU COUNTY CLERK'S OFFICE
ENDORSEMENT COVER PAGE

Recorded Date: 10-19-2007
Recorded Time: 1:45:09 p

Record and Return To:

Liber Book:
Pages From:
To:

Control
Number: 1363
Ref #: BN07004415
Doc Type: B01 DBA

Pty1: LAW OFFICE OF VINCENT D MCNAMARA
Pty2: MCNAMARA, VINCENT DEPAUL

	Taxes Total	.00
	Recording Totals	35.00
GAS001	Total Payment	35.00

THIS PAGE IS NOW PART OF THE INSTRUMENT AND SHOULD NOT BE REMOVED
MAUREEN O'CONNELL
COUNTY CLERK



2007101901363

483003894283

Certificate Of Conducting Business Under An Assumed Name For Individual

BUSINESS CERTIFICATE

#4415

Pursuant to General Business Law § 130, I hereby certify that I intend to or am conducting or transacting business in the State of New York within the County of Nassau under the name or designation of LAW OFFICE OF VINCENT D. McNAMARA at 1045 OYSTER BAY ROAD, SUITE 1, EAST WORMICH, NEW YORK 11732

My full name is VINCENT DEPAUL McNAMARA and I reside at [redacted]

I further certify that I am the successor in interest to N/A, the person(s) previously using the name(s) specified above to carry on or conduct or transact business. (Complete if applicable)

I am not less than eighteen years of age [I am less than eighteen years of age, to wit: _____ years of age].

IN WITNESS WHEREOF, I have signed this certificate on the 19TH day of OCTOBER, 2007.

Vincent D. McNamara (Signature) VINCENT D. McNAMARA

Acknowledgment in New York State (RPL § 309-a)

STATE OF NEW YORK)) ss.: COUNTY OF NASSAU)

On the 19th day of October in the year 2007 before me, the undersigned, personally appeared Vincent D. McNamara, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

MARGARET M. GRADY Notary Public, State of New York No. 30-4834858 Qualified in Nassau County Commission Expires September 30, 2009.

Margaret M. Grady (Signature) Notary Public

OCT 19 2007

483003894283

State of New York, }
County Of Nassau } SS:

I, Maureen O'Connell, Clerk of the County of Nassau and of the Supreme and County Courts, do hereby certify that I have compared the annexed Business Certificate with the original filed in my office on OCT 19 2007 and have found it to be a true and complete copy of said original.

In testimony whereof, I have hereunto set my hand and affixed the seal of the County of Nassau this OCT 19 2007 day of _____, 20_____

Maureen O'Connell
Maureen O'Connell, Clerk



Workers' Compensation Board

CERTIFICATE OF INSURANCE COVERAGE NYS DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

PART 1. To be completed by NYS disability and Paid Family Leave benefits carrier or licensed insurance agent of that carrier

<p>1a. Legal Name & Address of Insured (use street address only) VINCENT MC NAMARA ESQ. 1045 OYSTER BAY ROAD EAST NORWICH, NY 11732</p> <p><small>Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e., Wrap-Up Policy)</small></p>	<p>1b. Business Telephone Number of Insured 516 873 3900</p> <p>1c. Federal Employer Identification Number of Insured or Social Security Number [REDACTED]</p>
<p>2. Name and Address of Entity Requesting Proof of Coverage (Entity Being Listed as the Certificate Holder) County Of Nassau One West Street Mineola, NY 11501</p>	<p>3a. Name of Insurance Carrier ShelterPoint Life Insurance Company</p> <p>3b. Policy Number of Entity Listed in Box "1a" DBL115517</p> <p>3c. Policy effective period 05/01/2021 to 04/30/2023</p>

4. Policy provides the following benefits:

A. Both disability and paid family leave benefits.
 B. Disability benefits only.
 C. Paid family leave benefits only.

5. Policy covers:

A. All of the employer's employees eligible under the NYS Disability and Paid Family Leave Benefits Law.
 B. Only the following class or classes of employer's employees:

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has NYS Disability and/or Paid Family Leave Benefits insurance coverage as described above.

Date Signed 2/10/2022 By 
(Signature of insurance carrier's authorized representative or NYS Licensed Insurance Agent of that insurance carrier)

Telephone Number 516-829-8100 Name and Title Richard White, Chief Executive Officer

IMPORTANT: If Boxes 4A and 5A are checked, and this form is signed by the insurance carrier's authorized representative or NYS Licensed Insurance Agent of that carrier, this certificate is COMPLETE. Mail it directly to the certificate holder.

If Box 4B, 4C or 5B is checked, this certificate is NOT COMPLETE for purposes of Section 220, Subd. 8 of the NYS Disability and Paid Family Leave Benefits Law. It must be emailed to PAU@wcb.ny.gov or it can be mailed for completion to the Workers' Compensation Board, Plans Acceptance Unit, PO Box 5200, Binghamton, NY 13902-5200.

PART 2. To be completed by the NYS Workers' Compensation Board (Only if Box 4B, 4C or 5B have been checked)

**State of New York
Workers' Compensation Board**

According to information maintained by the NYS Workers' Compensation Board, the above-named employer has complied with the NYS Disability and Paid Family Leave Benefits Law (Article 9 of the Workers' Compensation Law) with respect to all of their employees.

Date Signed _____ By _____
(Signature of Authorized NYS Workers' Compensation Board Employee)

Telephone Number _____ Name and Title _____

Please Note: Only insurance carriers licensed to write NYS disability and paid family leave benefits insurance policies and NYS licensed insurance agents of those insurance carriers are authorized to issue Form DB-120.1. Insurance brokers are NOT authorized to issue this form.



Additional Instructions for Form DB-120.1

By signing this form, the insurance carrier identified in Box 3 on this form is certifying that it is insuring the business referenced in Box 1a for disability and/or Paid Family Leave benefits under the NYS Disability and Paid Family Leave Benefits Law. The insurance carrier or its licensed agent will send this Certificate of Insurance Coverage (Certificate) to the entity listed as the certificate holder in Box 2.

The insurance carrier must notify the above certificate holder and the Workers' Compensation Board within 10 days IF a policy is cancelled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from coverage indicated on this Certificate. (These notices may be sent by regular mail.) Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in Box 3c, whichever is earlier.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This Certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This Certificate may be used as evidence of a NYS disability and/or Paid Family Leave benefits contract of insurance only while the underlying policy is in effect.

Please Note: Upon the cancellation of the disability and/or Paid Family Leave benefits policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Insurance Coverage for NYS disability and/or Paid Family Leave Benefits or other authorized proof that the business is complying with the mandatory coverage requirements of the NYS Disability and Paid Family Leave Benefits Law.

NYS DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

§220. Subd. 8

(a) The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in employment as defined in this article, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand and twenty-one, the payment of family leave benefits for all employees has been secured as provided by this article. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any disability benefits to any such employee if so employed.

(b) The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in employment as defined in this article and notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand eighteen, the payment of family leave benefits for all employees has been secured as provided by this article.



Workers' Compensation Board

**CERTIFICATE OF
NYS WORKERS' COMPENSATION INSURANCE COVERAGE**

<p>1a. Legal Name & Address of Insured (use street address only) Vincent D McNamara 1045 Oyster Bay Road East Norwich, NY 11732</p> <p>Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e., a Wrap-Up Policy)</p>	<p>1b. Business Telephone Number of Insured 516-922-9100</p> <p>1c. NYS Unemployment Insurance Employer Registration Number of Insured</p> <p>1d. Federal Employer Identification Number of Insured or Social Security Number [REDACTED]</p>
<p>2. Name and Address of Entity Requesting Proof of Coverage (Entity Being Listed as the Certificate Holder) The County of Nassau 1 West Street Mineola, NY 11051</p>	<p>3a. Name of Insurance Carrier Travelers Indemnity Company</p> <p>3b. Policy Number of Entity Listed in Box "1a" UB2J425830</p> <p>3c. Policy effective period 8/25/2021 to 06/25/2022</p> <p>3d. The Proprietor, Partners or Executive Officers are <input checked="" type="checkbox"/> Included. (Only check box if all partners/officers included) <input type="checkbox"/> all excluded or certain partners/officers excluded.</p>

This certifies that the insurance carrier indicated above in box "3" insures the business referenced above in box "1a" for workers' compensation under the New York State Workers' Compensation Law. (To use this form, New York (NY) must be listed under **Item 3A** on the **INFORMATION PAGE** of the workers' compensation insurance policy). The insurance carrier or its licensed agent will send this Certificate of Insurance to the entity listed above as the certificate holder in box "2".

The insurance carrier must notify the above certificate holder and the Workers' Compensation Board within 10 days IF a policy is canceled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from the coverage indicated on this Certificate. (These notices may be sent by regular mail.) **Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in box "3c", whichever is earlier.**

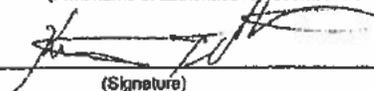
This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This certificate may be used as evidence of a Workers' Compensation contract of insurance only while the underlying policy is in effect.

Please Note: Upon cancellation of the workers' compensation policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Workers' Compensation Coverage or other authorized proof that the business is complying with the mandatory coverage requirements of the New York State Workers' Compensation Law.

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has the coverage as depicted on this form.

Approved by: Kenneth Fabricant
(Print name of authorized representative or licensed agent of insurance carrier)

Approved by:  8/9/22
(Signature) (Date)

Title: President

Telephone Number of authorized representative or licensed agent of insurance carrier: 516-621-9000

Please Note: Only insurance carriers and their licensed agents are authorized to issue Form C-105.2. Insurance brokers are **NOT** authorized to issue it.

Workers' Compensation Law

Section 57. Restriction on issue of permits and the entering into contracts unless compensation is secured.

1. The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any compensation to any such employee if so employed.

2. The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter.

BRUCE A. BLAKEMAN
County Executive



THOMAS A. ADAMS
County Attorney

**COUNTY OF NASSAU
OFFICE OF THE COUNTY ATTORNEY**

TO: Robert Cleary
Director of Procurement Compliance

FROM: Daniel Gregware
Deputy County Attorney

DATE: May 18, 2022

SUBJECT: Delay Memo – Law Office of Vincent D. McNamara

The purpose of this memo is to explain the delay with processing a new contract between the County and Law Office of Vincent D. McNamara (“Counsel”), the special counsel firm selected to represent the County in Ramsaroop v. County of Nassau, et al., Index No. 604994/2020, a complex medical malpractice case involving allegations that Nassau County Police Medics failed to provide proper emergency care to plaintiff’s principal.

The contract services commenced on March 25, 2022. The delay, albeit slight, was in getting disclosures and certificates of insurance updated onto the vendor portal. Upon word that all was complete, my office began packaging and uploading the contract package for the requisite County approvals.

I trust this memorandum satisfies your inquiry, however, please do not hesitate to contact this office should you have any additional questions.

A handwritten signature in cursive script, appearing to read "D. Gregware".

DANIEL GREGWARE
Deputy County Attorney



Certified: --

E-70-22

Filed with the Clerk of the Nassau County Legislature on June 16, 2022 12:43 pm

NIFS ID: CQTV22000003

Capital:

Contract ID #: CQTV22000003

NIFS Entry Date: 05/12/2022

Department: Traffic & Parking Violations

Service: Judicial Hearing Officer

Term: This Agreement shall commence upon the Effective Date and terminate three (3) years thereafter with two (2) additional one (1) year terms, for a total term of five (5) years.

Contract Delayed:

Slip Type: New		
CRP:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	Yes
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	Yes
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	No

Vendor/Municipality Info:	
Name: Howard S. Krebs, Esq. DBA: Howard S. Krebs, Esq.	ID#: 120447683
Main Address: 25 Seaview LanePort Washington, NY 11050	
Main Contact: Howard Krebs	
Main Phone: (516) 901-5170	

Department:
Contact Name: David Rich
Address: NCTPVA 801 Axinn Avenue Garden City, NY 11530
Phone: (516) 572-7154
Email: drich@nassaucountyny.gov

Contract Summary

Purpose: Mandate Judicial Hearing Officer
Method of Procurement: As mandated by Chapter 496 of the law of 1990 requires a JHO for TPVA. Pursuant to NYS VTL 1690, TPVA submitted to the Nassau County Administrative Judge, for approval to serve as Judicial Hearing Officer. The Administrative Judge has granted the Administrative Order effective April 21, 2022.
Procurement History: The JHO has met the requirement as a retired judge with a minimum of two years of parking and traffic experience or a sitting Village Court Justice.
Description of General Provisions: The Contractor shall serve as a JHO as more fully described above.
Impact on Funding / Price Analysis: \$30,000.00 being encumbered at this time. Maximum amount is \$150,000.
Change in Contract from Prior Procurement: New Contract
Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	10	1000	DE	TVGEN1000	DE500	TVGEN1000 DE500	01	\$30,000.00
TOTAL								\$30,000.00

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$30,000.00
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$30,000.00

Routing Slip

Department			
NIFS Entry	David Rich	05/19/2022 11:29AM	Approved
NIFS Final Approval	David Rich	05/19/2022 11:29AM	Approved
Final Approval	David Rich	05/19/2022 11:29AM	Approved
County Attorney			
Approval as to Form	Nick Sarandis	05/20/2022 04:28PM	Approved
RE & Insurance Verification	Andrew Amato	05/20/2022 08:24AM	Approved
NIFS Approval	Daniel Gregware	05/27/2022 12:30PM	Approved
Final Approval	Daniel Gregware	05/27/2022 12:30PM	Approved
OMB			
NIFS Approval	Sanju Jacob	05/27/2022 12:21PM	Approved
NIFA Approval	Irfan Qureshi	05/31/2022 03:52PM	Approved
Final Approval	Irfan Qureshi	05/31/2022 03:52PM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Robert Cleary	05/31/2022 05:37PM	Approved
DCE Compliance Approval	Robert Cleary	05/31/2022 05:37PM	Approved
Vertical DCE Approval	Arthur Walsh	06/15/2022 10:00AM	Approved
Final Approval	Arthur Walsh	06/15/2022 10:00AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/16/2022 12:21PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU ACTING ON BEHALF OF THE TRAFFIC AND PARKING VIOLATIONS AGENCY AND HOWARD S. KREBS

WHEREAS, the County has negotiated a personal services agreement with Howard S. Krebs for services as a judicial hearing officer to the Traffic and Parking Violations Agency, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said agreement with Howard S. Krebs

CONTRACT FOR SERVICES

THIS AGREEMENT, (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement") dated as of the date (the "Effective Date") that this Agreement is executed by Nassau County, is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the County Department of Traffic & Parking Violations Agency, having its principal office at 16 Cooper Street, Hempstead, New York 11550 (the "Department") and (ii) Howard S. Krebs, having his principal office at [REDACTED] the "Contractor").

WITNESSETH:

WHEREAS, the County desires to hire the Contractor to perform the services described in this Agreement; and

WHEREAS, this is a personal service contract within the intent and purview of Section 2206 of the County Charter;

WHEREAS, the Contractor desires to perform the services described in this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence upon the Effective Date and terminate three (3) years thereafter, unless sooner terminated in accordance with the provisions of this Agreement; provided, however, the County may review this Agreement under the same terms and conditions for two (2) additional one (1) year terms, for a total term of five (5) years.

2. Services. The services to be provided by the Contractor under this Agreement (and pursuant to section 1690 of the Vehicle and Traffic Law) (the services described herein, the "Services") shall consist of hearing parking and traffic violations under NYS VTL as well as local municipality ordinances, NYS Transportation law violations and NYS Highway Use Tax cases, the same manner as a court. The Contractor shall, on an as needed basis:

- a. determine all questions of law;
- b. act as the exclusive trier of all issues of fact;
- c. render a verdict;
- d. impose a sentence; and/or
- e. dispose of a case in any manner provided by law

The Services to be provided by the Contractor under this Agreement (and pursuant to Titles 72 and 86 of the Miscellaneous Laws of Nassau County) shall also consist of adjudicating notices of liability issued under the demonstration programs described under Titles 72 and 86 of the Miscellaneous Laws of Nassau County. The Contractor shall, on an as needed basis: (a) determine all questions of law; (b) make findings of fact; (c) render a decision; (d) determine liability; (e) impose a penalty; and/or (f) dispose of a matter in any manner provided by law.

Hearings shall be scheduled and conducted Monday through Friday from 8:30 a.m. to 12:00 p.m.

and/or 1:00 p.m. to 4:30 p.m. and weekday nights from 5:30 p.m. to 8:30 p.m. or as determined by the Executive Director, or his/her designated representative, of the Department. There shall be a one (1) hour luncheon recess for each full day worked that the court is in session.

Weekly work schedules shall be prepared and made available to the Contractor seven days prior to the commencement of the work week to which it applies. The Contractor's weekly assignments, if any, shall be in the sole discretion of the Department. This Agreement shall not create any expectation for a minimum period of workdays to be assigned to the Contractor.

3. Payment. (a) Amount of Consideration. The maximum amount to be paid to the Contractor as full consideration for the Contractor's Services under this Agreement shall not exceed the sum of One Hundred Fifty Thousand Dollars (the "Maximum Amount"), unless this Agreement is amended to increase the Maximum Amount. The Maximum Amount shall be payable in accordance with the following schedule:

Full day Session	\$350.00 per session	7 hours plus 1-hour lunch
Half-Day Session	\$175.00 per session	3.5 hours
Evening Session	\$175.00 per session	3 hours
Hourly	\$50.00 per hour	For those that don't work a full session (full day, half-day or evening session)

The Department is open to the public for Court from 8:30am to 4:30pm, Monday through Friday. The Contractor may be assigned to an eight (8) hour session (full-day) or a three and one half (3 ½) hour session (half-day) during those hours. The Department is also open for limited evening sessions, currently 2 sessions per month. Evening Sessions are from 5:30pm through 8:30pm. The Contractor may be assigned to a three (3) hour evening session during those hours. In the event that the Contractor is unable to work a full session, advanced notice must be provided, and the Contractor will be compensated at an hourly basis. Compensation shall be paid to the Contractor for actual Services rendered by such Contractor in a courtroom or other facility designated for court appearances.

(b) Partial Encumbrance. The Contractor acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement. The Contractor further acknowledges that the first encumbrance shall be Thirty Thousand Dollars (\$30,000.00). Thereafter, the Department will notify the Contractor of the availability of additional monies, which written notice shall include the amount encumbered. Such notification shall serve as notice to proceed.

(c) Vouchers; Voucher Review, Approval and Audit. Payments shall be made to the Contractor in arrears and shall be contingent upon (i) the Contractor submitting a claim voucher (the "Voucher") in a form satisfactory to the County, that (a) states with reasonable specificity the services provided and the payment requested as consideration for such services, (b) certifies that the services rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and (ii) review, approval

and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(d) Timing of Payment Claims. The Contractor shall submit claims no later than three (3) months following the County's receipt of the Services that are the subject of the claim and no more frequently than once a month.

(e) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between the Contractor and any funding source including the County.

(f) Payments in Connection with Termination or Notice of Termination. Unless a provision of this Agreement expressly states otherwise, payments to the Contractor following the termination of this Agreement shall not exceed payments made as consideration for Services that were (i) performed prior to termination, (ii) authorized by this Agreement to be performed, and (iii) not performed after the Contractor received notice that the County did not desire to receive such services.

4. Independent Contractor. The Contractor is an independent contractor of the County. The Contractor shall not, nor shall any officer, director, employee, servant, agent or independent contractor of the Contractor (a "Contractor Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).

5. No Arrears or Default. The Contractor is not in arrears to the County upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance with Law. (a) Generally. The Contractor shall comply with any and all applicable Federal, State and local Laws, including, but not limited to those relating to conflicts of interest, discrimination, a living wage, disclosure of information, and vendor registration, in connection with its performance under this Agreement. In furtherance of the foregoing, the Contractor is bound by and shall comply with the terms of Appendix EE, as attached, and the County's vendor registration protocol. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, the Contractor agrees as follows:

- (i) Contractor shall comply with the applicable requirements of the Living Wage Law, as amended;
- (ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Contractor has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event

that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.

- (iii) It shall be a continuing obligation of the Contractor to inform the County of any material changes in the content of its certification of compliance, attached to this Agreement as Appendix L, and shall provide to the County any information necessary to maintain the certification's accuracy.

(c) Records Access. The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement remains the sole property of the County and shall be used and disclosed solely for the purpose of performance and administration of the Agreement or as required by law. The Contractor acknowledges that Contractor Information in the County's possession may be subject to disclosure under Article 6 of the New York State Public Officer's Law ("Freedom of Information Law" or "FOIL"). In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify the Contractor of such request prior to disclosure of the Information so that the Contractor may take such action as it deems appropriate.

(d) The Contractor shall comply with the applicable provisions of the New York State Vehicle and Traffic Law §1690. Under this provision of law, Judicial Hearing Officers are prohibited from appearing in any capacity other than as a judicial hearing officer in any part of the Nassau County or Suffolk County District Court on any matter relating to traffic or parking violations and are further prohibited from appearing in any capacity other than as a judicial hearing officer in any other court or administrative tribunal on any matter relating to traffic or parking violations.

(e) Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(f) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

(g) Vendor Code of Ethics. By executing this Agreement, the Contractor hereby certifies and covenants that:

- (i) The Contractor has been provided a copy of the Nassau County Vendor Code

- of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
- (ii) All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
 - (iii) All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
 - (iv) The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;
 - (v) The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement; and
 - (vi) The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement.

7. Minimum Service Standards. Regardless of whether required by Law: (a) The Contractor shall, and shall cause Contractor Agents to, conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.

(b) The Contractor shall provide to the County upon request a letter from the Nassau County Bar Association Judiciary Committee stating that the Contractor is well qualified to serve in the capacity of Judicial Hearing Officer for the Nassau County Traffic and Parking Violations Agency.

(c) The Contractor shall deliver Services under this Agreement in a professional manner consistent with the best practices of the industry in which the Contractor operates. The Contractor shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Contractor Agents to obtain and maintain, all approvals, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

8. Indemnification; Defense; Cooperation. (a) The Contractor shall be solely responsible for and shall indemnify and hold harmless the County, the Department and its officers, employees, and agents (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), directly arising out of the Contractor's negligence or willful misconduct.

(b) The Contractor shall, upon the County's demand and at the County's direction, promptly and diligently defend, at the Contractor's own risk and expense, any and all suits, actions, or proceedings which may be brought or instituted against one or more Indemnified Parties for which the Contractor is responsible under this Section, and, further to the Contractor's indemnification obligations, the Contractor shall pay and satisfy any judgment, decree, loss or settlement in connection therewith.

(c) The Contractor shall, and shall cause Contractor Agents to, cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or

proceeding in connection with this Agreement, including the acts or omissions of the Contractor and/or a Contractor Agent in connection with this Agreement.

(d) The provisions of this Section shall survive the termination of this Agreement.

9. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (a) assigned, transferred or disposed of, (b) amended, (c) waived, or (d) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

10. Termination. (a) Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to the Contractor, (ii) for "Cause" by the County immediately upon the receipt by the Contractor of written notice of termination, (iii) upon mutual written Agreement of the County and the Contractor, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

(b) By the Contractor. This Agreement may be terminated by the Contractor if performance becomes impracticable through no fault of the Contractor, where the impracticability relates to the Contractor's ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by the Contractor delivering to the commissioner or other head of the Department (the "Commissioner"), at least sixty (60) days prior to the termination date (or a shorter period if sixty days' notice is impossible), a notice stating (i) that the Contractor is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the Contractor's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.

(c) Contractor Assistance upon Termination. In connection with the termination or impending termination of this Agreement the Contractor shall, regardless of the reason for termination, take all actions reasonably requested by the County (including those set forth in other provisions of this Agreement) to assist the County in transitioning the Contractor's responsibilities under this Agreement. The provisions of this subsection shall survive the termination of this Agreement.

11. Accounting Procedures; Records. The Contractor shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles and, if the Contractor is a non-profit entity, must comply with the accounting guidelines set forth in the applicable provisions of the Code of Federal Regulations, 2 C.F.R. Part 200, as may be amended. Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, any other

governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

12. Limitations on Actions and Special Proceedings against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief the Contractor shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. The Contractor shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of the Contractor shall allege that the above-described actions and inactions preceded the Contractor's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

13. Work Performance Liability. The Contractor is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Contractor is using a Contractor Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Contractor Agent has been approved by the County.

14. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

15. Notices. Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name the Contractor shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to the Contractor, to the attention of the person who executed this Agreement on behalf of the Contractor at the address specified above for the Contractor, or in each case to such other persons or addresses as shall be designated by written notice.

16. All Legal Provisions Deemed Included; Severability; Supremacy. (a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

(d) Each party has cooperated in the negotiation and preparation of this Agreement. Therefore, in the event that construction of this Agreement occurs, it shall not be construed against either party as drafter.

17. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

18. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

19. Administrative Service Charge. The Contractor agrees to pay the County an administrative service charge of Five Hundred Thirty-Three Dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Numbers 201-2001, 128-2006, and 153-2018. The administrative service charge shall be due and payable to the County by the Contractor upon signing this Agreement.

20. Executory Clause. Notwithstanding any other provision of this Agreement:

(a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all County approvals, third party approvals and other governmental approvals have been obtained, including, if required, approval by the County Legislature, and (ii) this Agreement has been executed by the County Executive (as defined in this Agreement).

(b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

IN WITNESS WHEREOF, the Contractor and the County have executed this Agreement as of the Effective Date.

JHO Name

By: Howard S. Krebs
Name: Howard S. Krebs
Title: Judicial Hearing Officer
Date: 4/28/22

NASSAU COUNTY

By: _____
Name: _____
Title: Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK

Appendix EE
Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan and any additions or

changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final

determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County

Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blueprints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation

- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Appendix L
Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

1. The chief executive officer of the Contractor is:

Howard S Krebs (Name)
[Redacted] (Address)
[Redacted] (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

3. In the past five years, Contractor _____ has has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action_ has has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

4/28/22
Dated

Howard Skrebs
Signature of Chief Executive Officer

Howard Skrebs
Name of Chief Executive Officer

Sworn to before me this
28th day of April, 2022.

Linda A. Kropacek
Notary Public

LINDA A. KROPACEK
Notary Public, State of New York
No. 01KR6187256
Qualified in Nassau County
Commission Expires May 19, 2024



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Howard S. Krebs, Esq.

2. Amount requiring NIFA approval: \$150,000.00

Amount to be encumbered: \$30,000.00

Slip Type: New

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: to This Agreement shall commence upon the Effective Date and terminate three (3) years thereafter with two (2) additional one (1) year terms, for a total term of five (5) years.

Has work or services on this contract commenced? No

If yes, please explain:

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

The Nassau County Traffic and Parking Violations Agency (TPVA) adjudicates traffic and parking violations as well as photo enforcement Notices of Liability (NOL's) for the County. The County is authorized to hire Judicial Hearing Officers ("JHO") who meet the qualifications of New York State Vehicle and Traffic Law ("VTL") section 1690 to preside over those hearings as well as perform additional adjudicatory functions.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

05/31/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Jack Schnirman
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Howard S. Krebs, Esq.

CONTRACTOR ADDRESS [REDACTED]

FEDERAL TAX ID #: [REDACTED]

Instructions: Please check the appropriate box (“”) after one of the following roman numerals, and provide all the requested information.

I. **The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids.** The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. **The contractor was selected pursuant to a Request for Proposals.**

The Contract was entered into after a written request for proposals was issued on March 3, 2022 [date]. Potential proposers were made aware of the availability of the RFP by advertisement in New York Newsday [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on continuous [date]. 2 [state #] proposals were received and evaluated. The evaluation committee consisted of:

No evaluation committee was convened for this RFSQ. NYS VTL 1690 authorizes the Nassau County Administrative Judge to assign qualified Judicial Hearing Officers.

(list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on _____ [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after _____

_____ [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**
- B. The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

- D.** Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

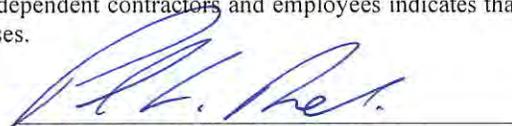
Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.



Department Head Signature

5/10/2022

Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.

BRUCE A. BLAKEMAN
NASSAU COUNTY EXECUTIVE

HON. PAUL L. MELI
EXECUTIVE DIRECTOR



**NASSAU COUNTY DISTRICT COURT
NASSAU COUNTY TRAFFIC & PARKING VIOLATIONS AGENCY
16 COOPER STREET
HEMPSTEAD, NEW YORK 11550-4063
(516) 572-2700**

INTER-DEPARTMENTAL MEMO

**TO: Elaine Phillips
County Comptroller**

**FROM: Hon. Paul L. Meli
Executive Director**

DATE: March 31, 2022

SUBJECT: 2022 TPVA JHO RFSQ

The Nassau County Traffic and Parking Violations Agency (TPVA) issued a Judicial Hearing Officer (JHO) Request for Statement of Qualifications (RFSQ) on March 3, 2022.

The RFSQ is considered continuous with no set end date. The RFSQ is not a competitive bid. The nature of the TPVA issued RFSQ is to find qualified JHO's for TPVA. TPVA sets the rate for which the JHO's are contractually compensated. All JHO's receive the same contractual rate.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:

Howard S. Krebs

Dated: 04/12/2022 12:22:57 PM

Vendor: Howard S. Krebs, Esq,

Title: Sole Proprietor, Owner



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

None

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

No

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

None

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

No activity

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

None

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby. separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:

Howard S. Krebs [REDACTED]

Dated: 04/12/2022 12:29:38 PM

Vendor: Howard S. Krebs, Esq.

Title: Owner, Sole Proprietor

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses, attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 09/23/2021

1) Proposer's Legal Name: Howard S. Krebs

2) Address of Place of Business: [REDACTED]

City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]

Country: US

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Own If other, please provide details:

4) Dun and Bradstreet number: None

5) Federal I.D. Number: [REDACTED]

6) The proposer is a: Sole Proprietorship (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

- b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

I will make no appearances as an attorney before the Nassau County Traffic Violations Bureau where I wish to serve as a Judicial Hearing Officer.
If a conflict arises, I will immediately notify Nassau County to resolve the conflict expeditiously.

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

1 File(s) Uploaded: HSK Resume 2021.pdf

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

- i) Date of formation;
- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

No individuals with a financial interest in the company have been attached..

- iii) Name, address and position of all officers and directors of the company. If none, explain.

No officers and directors from this company have been attached.

- iv) State of incorporation (if applicable);
- v) The number of employees in the firm;
- vi) Annual revenue of firm;
- vii) Summary of relevant accomplishments
- viii) Copies of all state and local licenses and permits.

- B. Indicate number of years in business.

29

- C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

I am seeking to serve as a Judicial Hearing Officer for the Nassau County Parking and Traffic Violations Bureau. I have served since 2005 as the Associate Village Justice for Port Washington North. I have practiced

civil and criminal law before the courts of the state of New York and local federal courts for almost 30 years. My references below can best speak for my judicial skills, and judicial temperament and ability to interact with defendants in our court room.

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company Incorporated Village of Port Washington North
Contact Person Mayor Bob Weitzner
Address 3 Pleasant Avenue
City Port Washington State/Province/Territory NY
Country US
Telephone [REDACTED]
Fax # [REDACTED]
E-Mail Address [REDACTED]

Company Incorporated Village of Port Washington North
Contact Person Village Justice Sheldon Greenbaum
Address 3 Pleasant Avenue
City Port Washington State/Province/Territory NY
Country US
Telephone [REDACTED]
Fax # [REDACTED]
E-Mail Address [REDACTED]

Company Incorporated Village of Port Washington North
Contact Person Linda Kropacek, Deputy Village Clerk and Court Clerk
Address 3 Pleasant Avenue
City Port Washington State/Province/Territory NY
Country US
Telephone [REDACTED]
Fax # [REDACTED]
E-Mail Address [REDACTED]

I, Howard S. Krebs, hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Howard S. Krebs, hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Howard S. Krebs, Esq.

Electronically signed and certified at the date and time indicated by:
Howard S. Krebs

Owner
Title

04/27/2022 10:14:37 PM
Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Howard S. Krebs
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: US

Business Address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: US
Telephone: [REDACTED]

Other present address(es):
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: US
Telephone: [REDACTED]

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

Type	Description	Start Date
Other	Owner	07/15/1992

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

I am a solo practitioner attorney. As I am the attorney providing the contracted services, I am assuming that I have a full 100% equity interest.

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?
YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9. a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Howard S. Krebs , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Howard S. Krebs , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Howard S. Krebs, Esq.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Howard S. Krebs

Owner

Title

05/05/2022 10:20:37 PM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Howard S. Krebs, Esq.

Address: [REDACTED]

City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]

Country: US

2. Entity's Vendor Identification Number: [REDACTED]

3. Type of Business: Other (specify) Sole Proprietor

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

Sole Proprietorship with no members or shareholders

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

None

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

[REDACTED]

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

[REDACTED]

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:

Howard S. Krebs, Esq. [REDACTED]

Dated: 04/12/2022 12:26:59 PM

Title: Owner, Sole Proprietor

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

BRUCE A. BLAKEMAN
NASSAU COUNTY EXECUTIVE



HON. PAUL L. MELI
EXECUTIVE DIRECTOR

**NASSAU COUNTY DISTRICT COURT
NASSAU COUNTY TRAFFIC & PARKING VIOLATIONS AGENCY
16 COOPER STREET
HEMPSTEAD, NEW YORK 11550-4063
(516) 572-2700**

February 25, 2022

Mr. Ron Gurrieri
President
Nassau Local 830 CSEA
400 County Seat Drive
Mineola, New York 11501

Re. Proposed Contracts for Judicial Hearing Officer

Dear Mr. Gurrieri:

Pursuant to section 32 of the Collective Bargaining Agreement and as a good faith effort to advise the CSEA of the County's needs, this letter is to advise you that the TPVA is considering entering into contractual services with the multiple vendors. By providing this notice, it should not be implied that the work referenced in the contract has been the historic and exclusive work of bargaining unit members. In fact, the County maintains it has not been their work in the past. Pursuant to section 32-3(a), the County's needs are described in the service provisions of the contract including but not limited to appendices and other related attachments.

RFP Scope of Services: Partial Scope description below, see enclosed draft RFP for full description.

Nassau County, New York (the "County") is currently seeking Statements of Qualifications submissions from qualified individuals authorized to provide Judicial Hearing Officer Services in the State of New York.

The Nassau County Traffic and Parking Violations Agency ("TPVA") adjudicates traffic and parking violations as well as photo enforcement Notices of Liability (NOL's) for the County. Pre-Covid-19, the agency had approximately 5,000 visitors weekly. Many of the motorist's visits result in hearings, adjudicated by three (3) or four (4) JHOs on a daily basis. Those candidates who demonstrate that they meet these statutory requirements will then be eligible for appointment as judicial hearing officers by the administrative judge for the 10th Judicial District pursuant to VTL Section 1690(1) and Section 350.20(5) of the Criminal Procedure Law. TPVA

currently has seventeen (17) JHOs. Their schedules vary based on availability and needs of the Court. This position is necessary to provide services to handle the volume of traffic at TPVA. The schedule for JHOs will be subject to change depending on needs of the Court.

If you wish to meet or discuss any aspect of this proposed contract, or to discuss proposed alternatives to this contract, please do not hesitate to contact the undersigned and/or the Nassau County Office of Labor Relations.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul L. Meli", written over a horizontal line.

Hon. Paul L. Meli
Nassau County Traffic and Parking Violations Agency

encs. Proposed Contract/RFP

cc: Christopher Nicolino, Office of Labor Relations

NEWSDAY AFFIDAVIT OF PUBLICATION

NASSAU COUNTY TRAFFIC & PARKING
16 COOPER STREET
HEMPSTEAD, NY 11550-4036

STATE OF NEW YORK)

Legal Notice No. 0021708402

:SS.:

COUNTY OF ERIE)

The undersigned, being duly sworn, says that such person is a duly authorized custodian of records of Newsday LLC, the publisher of Newsday, a daily newspaper published in Melville, County of Suffolk, State of New York, and circulated in Nassau, Suffolk, and Queens Counties, and that the Legal Notice of which the annexed is a true copy, was published in the following editions/counties of said newspaper on the following dates:

Thursday

March 03, 2022

Nassau

By: _____

Print Name: Jenise Britt

Authorized Designer of Newsday LLC, Publisher of Newsday

SWORN to before me this
3 Day of March, 2022.

Notary Public

TYSHAWN HARRISON
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01HA6186920
Qualified in Erie County
Commission Expires May 12, 20₂₄

Ad Content

Legal Notice # 21708402
NASSAU COUNTY
TRAFFIC AND PARKING VIOLATIONS AGENCY
REQUEST FOR STATEMENT OF QUALIFICATIONS
RE: Judicial Hearing Officer for Nassau County Traffic and Parking Violations Agency
RFP No. TV0303-2210
Nassau County, New York is currently seeking Statements of Qualifications submissions from qualified individuals authorized to provide Judicial Hearing Officer Services in the State of New York as defined in NYS VTL section 1690.
Statement of Qualifications continuously accepted. The proposer shall submit the original proposal to the Nassau County Traffic and Parking Violations Agency, 16 Cooper St., Hempstead, NY 11550.
Attention: Marc Mullen. No electronic submissions will be accepted.
If you have any questions, please contact the proposal manager, Marc Mullen at 516-572-2651 or email to mullen@nassaucountyny.gov

NEWSDAY PROOF

Ad Number: 0021708402

Advertiser: NASSAU COUNTY TRAFFIC & PARKING



NASSAU COUNTY DISTRICT COURT
NASSAU COUNTY TRAFFIC & PARKING VIOLATIONS AGENCY
16 COOPER STREET
HEMPSTEAD, NEW YORK 11550-4063
(516) 572-2700

DEPARTMENTAL MEMO

FROM: Hon. Paul L. Meli
Executive Director, NCTPVA

DATE: February 23, 2022

SUBJECT: Cost Estimate for 2022 JHO RFSQ

A cost estimate is set at \$30,000 per Judicial Hearing Officer (JHO) based upon history. TPVA has historically set the fee at \$350 per full day session, \$175 for half day session and \$175 for an evening session. Total amount estimated is based upon the number of JHO's contracted with. TPVA utilizes between 3 and 4 hearings rooms per day as well as 1 to 2 hearing rooms per evening when it conducts night court operations. Each hearing room needs to be staffed by a JHO. There are occasions where we have less hearing rooms operating and sometimes more hearing rooms operating. The role of a JHO contractor would be comparable to a part-time employee. There is no expectation for the contractors to work full time, as we rotate and staff the hearing rooms by rotating 17 eligible contractors. To be eligible for a JHO position, per NYS VTL, they must be a retired Judge or a Village Justice.

NASSAU COUNTY BAR ASSOCIATION

Elizabeth Post
Executive Director
Nassau County Bar Association

JEWISH LAWYERS ASSOICATION OF NASSAU COUNTY

Hon. Gary F. Knobel
President
Jewish Lawyers Association of Nassau County

COLUMBIAN LAWYER'S ASSOCIATION OF NASSAU COUNTY

Celia Scaglione
Director of Operations
Columbian Lawyer's Association of Nassau County

LONG ISLAND HISPANIC BAR ASSOCIATION

Veronica Renta Irwin, Esq.
President
Long Island Hispanic Bar Association

AMISTAD LONG ISLAND BLACK BAR ASSOCIATION

J. Stewart Moore, Esq.
Executive Director
Amistad Long Island Black Bar Association

ASIAN AMERICAN BAR ASSOCIATION OF NEW YORK

Yang Chen

Executive Director

Asian American Bar Association of New York



CRIMINAL COURTS BAR ASSOCIATION OF NASSAU COUNTY

Andrew Monteleone, Esq.

President

Criminal Courts Bar Association of Nassau County



HOWARD S. KREBS, ESQ.

SUMMARY

- Seasoned senior level attorney across many practice areas, coupled with broad based in-house and governmental agency experience.
- Demonstrated expertise in providing timely and practical real-world solutions to complex legal issues.
- A history of success at arbitrations and mediations and significant "first chair" trial experience in state and federal court.
- Admitted to all state and federal courts of New York, the U.S. District Court and the U.S. Supreme Court.

EXPERIENCE

Corporation Counsel, City of New York
(Remote Work setting)

**Special Assistant
Corporation Counsel**
2021-Present

- In-depth analysis and settlement of IDEA fee shifting cases in the southern and eastern district federal court.
- Recommendation of settlement budgets to the office of the N.Y.C. Comptroller.
- Extensive negotiations with claimant's counsels, and conferences with federal magistrate judges.

Law Offices of Elias C. Schwartz
Great Neck, N.Y.

Senior Attorney
2019 - 2020

- Trial counsel for renowned local construction law firm, focusing on mechanic's lien filings and foreclosures.
- Construction and real estate litigation in state and federal court.
- Representation of high net worth entrepreneurs in acquisition and sales of personal and business assets.
- Commercial lease negotiation, drafting and litigation.

Law Offices of Gerald P. Gross
Cedarhurst, N.Y.

Senior Attorney
2018-2019

- Senior Attorney for plaintiff's side personal injury firm, with a full and varied docket throughout N.Y.C.
- Extensive deposition experience and discovery and dispositive motion practice.
- Skilled in oral argument, settlement negotiations, mediations and negotiations with carriers and self-insureds.
- In depth settlement experience with the City of New York, Corporation Counsel and the Comptroller's office.

Bellavia Blatt & Crossett, P.C.
Mineola, N.Y.

Senior Attorney
2016-2017

- Senior Attorney for nationally known boutique firm representing automobile and marine dealers and franchisees.
- Drafting of confidentiality, employment, and dealer service agreements and real estate leases and property sales.
- Representation of dealers under investigation by the N.Y.S. Attorney General and Department of Motor Vehicles.
- Article 78 proceedings and defense of Department of Labor and E.E.O.C. claims.
- Handle negotiation, drafting and closing of multi-million dollar "buy-sell transactions" for various auto dealerships.
- Litigation in U.S. District Court and local state courts on a wide variety of commercial matters.

The Latronica Law Firm, P.C.
Levittown, N.Y.

Senior Attorney
2015-2016

- Plaintiff's side personal injury practice with an emphasis on motor vehicle and construction accidents.

- Head of the firm's commercial and residential real estate practice group, and head of the firm's matrimonial and family law practice group. Supervision and training of paralegals and support staff.
- Defense of criminal and foreclosure proceedings.

Howard S. Krebs, Attorney at Law (Solo practice while "Of Counsel")
Lake Success, N.Y.

Attorney
 2011 – 2015

- Represent small and medium sized commercial clients in litigation in all New York state and federal courts.
- Serve as trial counsel for local firms on an "of counsel" and retained trial counsel basis.
- Representation at worker's compensation, unemployment and motor vehicle administrative hearings and proceedings.
- Residential real estate practice for single family & multi-family homes, and condominiums and cooperatives.
- Estate and elder law practice and litigation on contested matters in the Surrogate's courts.

Wu and Kao, PLLC,
New York and Tianjin, China

Of Counsel
 2013 – 2014

- Senior litigation and trial counsel for this leading Chinese and U.S. law firm.
- Drafting and negotiation of financing, leasing, and "buy-sell" agreements.
- Complex commercial litigation, primarily in the United States District Court, Southern District.
- Supervision, training, and mentoring of junior attorneys and paralegals and support staff in the U.S. and China.

AFPD, Inc. (Administrators for the Professions of Delaware, Inc.)
Lake Success, N.Y. (Company acquired and dissolved)

Claims Counsel
 2007-2011

- Claims counsel for attorney malpractice cases for attorney professional liability and dental liability insurance programs.
- Selection, oversight, and management of a national panel of outside approved counsel and setting of case strategy.
- Periodic national travel to attend mediations and trials with a very high rate of successful resolutions.
- Initial coverage analysis, setting of reserves, and drafting of coverage opinion letters and "reservation of rights" letters.

Andrew Greene & Associates, P.C. (Formerly Greene & Zinner, P.C.)
White Plains, N.Y.

Senior Associate
 2006 – 2007

- Negotiation and drafting of commercial contracts, commercial real estate leases, equipment leases, and licensing agreements. Lead counsel on various closely held business "buy and sell" transactions.
- Article 78 proceedings, appellate matters, and a full range of civil and criminal litigation in city, county, and state courts.
- White collar criminal defense, corporate accountings, and dissolutions.

Howard S. Krebs, P.C.
Great Neck, N.Y.

Managing Attorney
 1995 – 2006

- Areas of practice include commercial litigation, construction litigation, bond and lien litigation, collection matters, matrimonial and family law, estate planning and creditor representation in the U.S. Bankruptcy Court.
- Commercial and residential real estate practice for tenants and owners. Negotiation of leases and subleases.
- Serve as outside counsel for small and medium sized contractors, professional corporations, and non-profits.
- Extensive deposition, conference and motion experience, and arbitrations before the American Arbitration Association.

Synergy Gas Corporation
Counsel

Senior Counsel, In-house

Farmingdale, New York (Company acquired and relocated) 1993 – 1995

- Extensive drafting and negotiation of multi-state vendor and supplier contracts across company product lines.
- Provide counsel on a full range of employment issues, real estate leasing, asset sales and acquisitions.
- Management of nationwide litigation caseload of personal injury, property, motor vehicle, hazardous materials, environmental and employment cases. Interface with excess insurance carrier AIG, and coordinate incident investigations. Lead in-house counsel for a high-profile product liability wrongful death case.
- Select and monitor outside counsel for cases outside of the New York area and set and audit legal budgets.

Weinberg, Kaley & Pergament
Garden City, N.Y.

Associate
1991 – 1993

- Representation of creditors before the United States Bankruptcy Court of the Eastern and Southern Districts of New York for Chapter 7 and Chapter 13 cases, and for debtors for Chapter 11 reorganization cases.
- Research and various assignments by the appointed United States Chapter 7 Trustee for case administration and litigation of adversary proceedings. Assist partners with defense of "white collar" criminal cases.

Corporation Counsel, City of New York
N.Y.C., N.Y.

Law Clerk
1990 – 1991

- Full time internship program in the last year of law school at St. John's University School of Law.
- Assist in the criminal prosecution of building and fire code violations, including work with the Mayor's Social Club Task Force. Extensive investigative, motion practice and trial preparation responsibilities.

EDUCATION

- St. John's University School of Law J.D. (Evening program while working full time).
- Queens College, City University of New York B.A., cum laude, University Year for Action (Vista / Peace Corps. volunteer)

APPOINTMENTS

- **Associate Village Justice**, Village of Port Washington North (pro bono) 2005 - Present
- **Chairman, Board of Zoning and Appeals**, Village of Port Washington North (pro-bono) 2005- 2010
- **Vice Chairman**, Nassau County Bar Assoc. Comm. on the Unauthorized Practice of Law 2000-2001
- **Arbitrator**, Nassau County District Court Arbitration Panel 1998 -2003
- **Chairman**, Nassau County Bar Assoc. Comm.on the Unauthorized Practice of Law 1997- 1999

BAR ADMISSIONS

- United States Supreme Court 1997
- United States Court of Appeals for the Federal Circuit 1997
- United States Court of Federal Claims 1997
- United States Court of Appeals for the Armed Forces 1997
- New York State Bar, Appellate Division, Second Department 1992
- United States District Court, Eastern and Southern Districts of New York 1992



*Appellate Division of the Supreme Court
of the State of New York
Second Judicial Department*

*I, Maria T. Fasulo, Clerk of the Appellate Division of the
Supreme Court of the State of New York, Second Judicial
Department, do hereby certify that*

Howard S. Krebs

*was duly licensed and admitted to practice as an Attorney and
Counselor at Law in all the courts of this State on July 15, 1992, has
duly taken and subscribed the oath of office prescribed by law, has
been enrolled in the Roll of Attorneys and Counselors at Law on
file in this office, is duly registered with the Administration Office
of the Courts, and according to the records of this Court is
currently in good standing as an Attorney and Counselor-at-Law.*

*In Witness Whereof, I have hereunto set
my hand in the City of Brooklyn on
May 9, 2022.*



Maria T. Fasulo

Clerk of the Court



Appellate Division
Supreme Court of the State of New York
Second Judicial Department
45 Monroe Place
Brooklyn, N.Y. 11201
(718) 875-1300

HECTOR D. LASALLE
PRESIDING JUSTICE

MARIA T. FASULO
CLERK OF THE COURT

DARRELL M. JOSEPH
DEPUTY CLERKS

KENNETH BAND
MELISSA KRAKOWSKI
WENDY STYNES
ASSOCIATE DEPUTY CLERKS

To Whom It May Concern

An attorney admitted to practice by this Court may request a certificate of good standing, which is the only official document this Court issues certifying to an attorney's admission and good standing.

An attorney's registration status, date of admission and disciplinary history may be viewed through the attorney search feature on [the website of the Unified Court System](#).

New York State does not register attorneys as active or inactive.

An attorney may request a disciplinary history letter from the [Attorney Grievance Committee of the Second Judicial Department](#).

Bar examination history is available from the [New York State Board of Law Examiners](#).

Instructions, forms and links are available on [this Court's website](#).

Maria T. Fasulo
Clerk of the Court

BRUCE A. BLAKEMAN
NASSAU COUNTY EXECUTIVE



HON. PAUL L. MELI
EXECUTIVE DIRECTOR

**NASSAU COUNTY DISTRICT COURT
NASSAU COUNTY TRAFFIC & PARKING VIOLATIONS AGENCY**

16 COOPER STREET
HEMPSTEAD, NEW YORK 11550
(516) 572-2700

March 23, 2022

Jodi Franzese
Inspector General
Nassau County
One West Street
Mineola, NY 11501

RE: JHO Candidates
Nassau County Traffic and Parking Violations Agency

Dear Inspector Franzese,

On March 3, 2022, Nassau County Traffic and Parking Violations Agency ("TPVA") issued a Request for Statement of Qualifications ("RFSQ") relative to the service by individuals as judicial hearing officers ("JHO"s) at our agency. Responses to RFSQs are continuously accepted.

Under sections 1690(1) of the New York Vehicle & Traffic Law ("VTL) and 350.20 of the Criminal Procedure Law, it is the Administrative Judge of the 10th Judicial District (Nassau County) who assigns JHOs to preside over traffic and parking violations. The minimum qualifications to serve as a JHO are also set forth in VTL Section 1690(1), requiring that they:

- are a village justice or retired judge;
- have at least 2 years conducting traffic and parking violation cases; and
- are admitted to practice law in the State of New York.

Pursuant to NYS VTL §1690, TPVA submitted to the Administrative Judge, for approval to serve as Judicial Hearing Officer, all candidates, each of whom demonstrated that they meet the above-described statutory requirements.

Jodi Franzese
March 21, 2022
Page Two

The Administrative Orders are executed by Hon. Vito DeStefano, Administrative Judge,
Nassau County.

Please advise should you require any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "P. L. Meli", written over a horizontal line.

Hon. Paul L. Meli
Executive Director
Nassau County Traffic and Parking Violations Agency

enc.

OFFICE OF THE ADMINISTRATIVE JUDGE
10th Judicial District - Nassau County



ADMINISTRATIVE ORDER

Pursuant to the authority vested in me by Section 1690(1) of the Vehicle and Traffic Law and Section 350.20(5) of the Criminal Procedure Law, I hereby approve and assign the following Village Justices and/or retired Judges to serve as Judicial Hearing Officers in the Nassau County Traffic and Parking Violation Agency towards its statutory purpose to assist the Nassau County District Court in the disposition of parking and traffic violations in accordance with General Municipal Law 370(1), 372(2).

The term of this assignment is effective April 21, 2022.

Hon. Howard S. Krebs

A handwritten signature in black ink, appearing to read "Vito DeStefano". The signature is written in a cursive style and is positioned above a horizontal line.

Hon. Vito M. DeStefano
Administrative Judge, Nassau County

Dated: April 20, 2022



Certified: --

E-71-22

Filed with the Clerk of the Nassau County Legislature on June 16, 2022 1:11pm

NIFS ID: CLIT22000001

Capital:

Contract ID #: CFIT09000001

NIFS Entry Date: 02/09/2022

Department: Information Technology

Service: ERP PeopleSoft Software Maintenance

Term: from 05/29/2009 to 05/31/2024

Contract Delayed: X

Slip Type: Amendment		
CRP:		
Time Extension:		
Addl. Funds: X		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: Oracle America, Inc.	ID#: 942805249
Main Address: 500 Oracle Parkway Redwood Shores, CA 94065	
Contract Specific Address: PO BOX 203448 DALLAS, TX 75320-3448	
Main Contact: Clayton Hatcher	
Main Phone: (540) 305-3487	

Department:
Contact Name: Nancy Stanton *** Final Complete Contract To Michael Kessler ***
Address: 240 Old Country Road Mineola, NY 11501
Phone: (516) 571-4311
Email: mkessler@nassaucountyny.gov

Contract Summary

<p>Purpose: IT uses Oracle Licenses and software for the implementation of the Enterprise Resource Planning Solutions(Peoplesoft), which replaced NUHRS in September 2020. This amendment is to secure funds for an increased user license count and its support through 5/31/24. The contract ceiling is increasing by \$557,781.05 to support this through 5/31/24.</p>
<p>Method of Procurement: RFP</p>
<p>Procurement History: The contract was originally executed by Nassau County on May 29, 2009. This is an amendment pursuant to the contract. The original contract was entered into after a written request for proposals was issued on March 3, 2008. Potential proposers were made aware of the availability of the RFP by newspaper advertisement, posting on website, mailing, etc. Twenty Six potential proposers requested copies of the RFP. Proposals were due on April 2, 2008. Three proposals were received and</p>

evaluated. The evaluation committee consisted of J. Siegel, A. Sousa, M. Doxey, J. Hennel, R. Mintz, G. Schiller, D. Swirnoff, T. Killeen, G. Yansick, K. Munson, T. Gutman, C. Russo, J. Bejarano, C. Khoury, R. Ghisone, B. Paul, Cl Lott, F. Ryan, P. Reinharz and M. Wong. The proposals were scored and ranked. As a Result of the scoring and ranking, the highest-ranking proposer was selected.

Description of General Provisions: This contract is to License the selected Oracle/PeopleSoft system.

Impact on Funding / Price Analysis: Maximum additional encumbrances of \$557,781.05 for remainder of Oracle/PeopleSoft Maintenance and Support contract to support this license count increase. Encumbering \$145,000 at this time.

Change in Contract from Prior Procurement: N/A

Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	10	1420	DE	ITGEN1420	DE5A5	ITGEN1420 DE5A5	15	\$145,000.00
TOTAL								\$145,000.00

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$145,000.00
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$145,000.00

Routing Slip

Department			
NIFS Entry	Michael Kessler	03/17/2022 12:34PM	Approved
NIFS Final Approval	Nancy Stanton	03/17/2022 02:04PM	Approved
Final Approval	Nancy Stanton	03/17/2022 02:04PM	Approved
County Attorney			
Approval as to Form	Daniel Gregware	03/17/2022 04:36PM	Approved
RE & Insurance Verification	Dan Grippo	03/21/2022 11:36AM	Approved
NIFS Approval	Daniel Gregware	03/21/2022 11:43AM	Approved
Final Approval	Daniel Gregware	03/21/2022 11:43AM	Approved
OMB			
NIFS Approval	Nadiya Gumieniak	03/17/2022 02:07PM	Approved
NIFA Approval	Irfan Qureshi	03/17/2022 02:22PM	Approved
Final Approval	Irfan Qureshi	03/17/2022 02:22PM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Ari Schulman	05/02/2022 11:37AM	Approved
DCE Compliance Approval	Robert Cleary	05/23/2022 04:53PM	Approved
Vertical DCE Approval	Arthur Walsh	05/26/2022 10:12AM	Approved
Final Approval	Arthur Walsh	05/26/2022 10:12AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/16/2022 12:55PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE COUNTY DEPARTMENT OF INFORMATION TECHNOLOGY, AND ORACLE AMERICA, INC. (“ORACLE”)

WHEREAS, the County has negotiated an amendment to a personal services agreement with Oracle for technical support and maintenance services related to the County’s Enterprise Resource Planning software, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said amendment to an agreement with Oracle.

Amendment #3.

THIS AMENDMENT dated as of the date of execution by the County (together with the schedules, appendices, attachments and exhibits, if any, this "Amendment") is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the County Department of Information Technology, having offices located at 240 Old Country Road, Mineola, New York 11501 (the "Department"), and (ii) Oracle America, Inc.(as successor in interest to Oracle USA, Inc.), a Delaware corporation, having its principal office at 500 Oracle Parkway, Redwood Shores, California 94065 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number CFIT09000001 between the County and the Contractor, executed on behalf of the County on May 29, 2009, and amended thereafter on February 10, 2015 and July 16, 2019, (the "Original Agreement"), the Contractor performs maintenance and support services for the County in connection with the County's Enterprise Resource Planning ("ERP") software, which services are more fully described in the Original Agreement (the "Services" or "Technical Support Services"); and

WHEREAS, the term of the Original Agreement, for the purpose of annual renewal of Technical Support and Maintenance for ERP software purchased under the Original Agreement as amended, is until May 31, 2024, (the "Term"); and

WHEREAS, the Maximum Amount, as defined in the Agreement, that the County agreed to pay the Contractor for Services is Three Million, Seven Hundred and Forty-Two Thousand, Two Hundred and Eighteen Dollars and Ninety- Five Cents (\$3,742,218.95); and

WHEREAS, County and the Contractor desire to amend the Original Agreement to increase the Maximum Amount to provide funding for additional licenses and technical support services as provided in the Original Agreement.

WHEREAS, the services contemplated by this Amendment are personal services within the context and purview of Section 2206 of the County Government Law of Nassau County.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Licenses. County shall purchase additional software licenses as needed by the County users as outlined in Contractor's Ordering Document attached hereto as Attachment A-1. County may purchase additional licenses based on the County's needs pursuant to an agreed-upon ordering document.
2. Maximum Amount. The Maximum Amount shall be increased by Five Hundred and Fifty-Seven Thousand, Seven Hundred and Eighty-One Dollars and Five Cents

(\$557,781.05) to total Four Million, Three-Hundred Thousand Dollars (\$4,300,000.00) payable based on: (i) additional licenses pursuant to Attachment A-1; and (ii) additional licenses as may be ordered by the County in accordance with the Original Agreement and this Amendment.

3. Partial Encumbrance. The Contractor understands that only One Hundred and Forty-Five Thousand Dollars (\$145,000.00) is being encumbered at this time. The Contractor is cautioned not to perform services that would cause billings to exceed this amount unless additional funds are encumbered. The County shall not be liable for payment of any amounts which have not been encumbered and approved for this agreement by the Nassau County Comptroller.

4. Full Force and Effect. All the terms and conditions of the Agreement not expressly amended herein shall remain in full force and effect and govern the relationship of the parties for the remainder of the Term.

IN WITNESS WHEREOF, the Contractor and the County have executed this Amendment as of the date first above written.

ORACLE AMERICA, INC.

By: _____

Name: Jake Camarillo

Title: Manager, Deal Management

Date: 24-OCT-2021

NASSAU COUNTY

By: _____

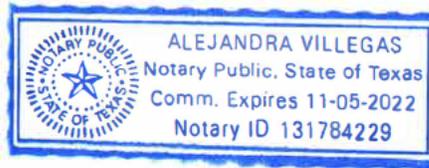
Name: _____

Title: Deputy County Executive

Date: _____

PLEASE EXECUTE IN BLUE INK

STATE OF CALIFORNIA)
) ss.:
COUNTY OF MONTGOMERY)



On the 26 day of October in the year 2021 before me personally came Jake Camanillo to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Bexar; that he or she is the manager, ^{Deal} management Oracle America, Inc., the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

NOTARY PUBLIC 

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On the _____ day of _____ in the year _____ before me personally came _____ to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of _____; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC

ORDERING DOCUMENT

Oracle America, Inc.
 500 Oracle Parkway
 Redwood Shores, CA
 94065

Name	Nassau County, New York	Contact	Kathleen Dolan
Address	240 Old County Road Mineola NY 11501	Phone Number	1-516-5714265
		Email Address	kdolan@nassaucountyny.gov

Programs and Program-Related Service Offerings			
Item	Part Number	Description / License Type	Quantity
1.0	L11839	PeopleSoft Enterprise EPM Portal Pack -Enterprise \$M in Operating Budget Perpetual	320
1.1		Software Update License & Support	
2.0	L11870	PeopleSoft Enterprise Performance Management Warehouse-Enterprise \$M in Operating Budget Perpetual	320
2.1		Software Update License & Support	
3.0	L12817	PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual	970
3.1		Software Update License & Support	
4.0	L12895	PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual	970
4.1		Software Update License & Support	
5.0	L14201	PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual	320
5.1		Software Update License & Support	
6.0	L32422	PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual	970
6.1		Software Update License & Support	
7.0	L32423	PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual	970
7.1		Software Update License & Support	
8.0	L32424	PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual	970
8.1		Software Update License & Support	
9.0	L32425	PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual	970
9.1		Software Update License & Support	
10.0	L32428	PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual	970
10.1		Software Update License & Support	
11.0	L32431	PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual	970
11.1		Software Update License & Support	
12.0	L32432	PeopleSoft Enterprise HCM Portal Pack - Enterprise Employee Perpetual	970
12.1		Software Update License & Support	
13.0	L38733	PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual	320
13.1		Software Update License & Support	
14.0	L38734	PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual	320
14.1		Software Update License & Support	
15.0	L38736	PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual	320

Programs and Program-Related Service Offerings			
Item	Part Number	Description / License Type	Quantity
15.1		Software Update License & Support	
16.0	L38738	PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual	320
16.1		Software Update License & Support	
17.0	L38742	PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual	320
17.1		Software Update License & Support	
18.0	L38743	PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual	320
18.1		Software Update License & Support	
19.0	L38751	PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual	320
19.1		Software Update License & Support	
20.0	L38753	PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual	320
20.1		Software Update License & Support	
21.0	L38754	PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual	320
21.1		Software Update License & Support	
22.0	L38755	PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual	320
22.1		Software Update License & Support	
23.0	L38756	PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual	320
23.1		Software Update License & Support	
24.0	L38761	PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual	320
24.1		Software Update License & Support	
25.0	L38763	PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual	320
25.1		Software Update License & Support	
26.0	L38764	PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual	320
26.1		Software Update License & Support	
27.0	L38766	PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual	320
27.1		Software Update License & Support	
28.0	L38771	PeopleSoft Enterprise Interaction Hub - Enterprise \$M in Operating Budget Perpetual	320
28.1		Software Update License & Support	
29.0	L38777	PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual	320
29.1		Software Update License & Support	
30.0	L46014	PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual	320
30.1		Software Update License & Support	
31.0	L46774	PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual	970
31.1		Software Update License & Support	
32.0	L46782	PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual	970
32.1		Software Update License & Support	
33.0	L61227	Oracle Hyperion Planning - System 9- Enterprise \$M in Operating Budget Perpetual	320
33.1		Software Update License & Support	
34.0	L61229	Oracle Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual	320
34.1		Software Update License & Support	
35.0	L61231	Oracle Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual	320
35.1		Software Update License & Support	
36.0	L61236	Hyperion Performance Scorecard Plus - Enterprise \$M in Operating Budget Perpetual	320

Programs and Program-Related Service Offerings			
Item	Part Number	Description / License Type	Quantity
36.1		Software Update License & Support	
37.0	L92312	PeopleSoft Enterprise Enterprise Learning Management - Enterprise Employee Perpetual	970
37.1		Software Update License & Support	

Fee Description	Net Fee
Program Fees	118,637.14
Program-Related Service Offering Fees	26,100.14
Total Fees	144,737.28

A. Agreement and Modifications to the Agreement

1. Agreement

a. This order incorporates by reference the terms of the Software License and Services Agreement US-SLSA-42814-30-MAY-2009 and all amendments and addenda thereto (the "Master Agreement"). The following defined and capitalized terms in the Master Agreement shall have the same meaning as the stated terms in this order: "Agreement" and "Master Agreement"; "Customer"/"Client" and "You"/"Your"; "Documentation" and "Program Documentation"; "Ordering Document"/"Order Form" and "order"; "Services" and "Program-related Service Offerings"; "Technical Support" and "technical support".

2. Master Agreement Modifications- for this order only

a. Technical Support Services

The following shall be added as new paragraphs at the end of Section 3.1 (Technical Support Services) of the Agreement:

"Technical support consists of Oracle's annual technical support services You may have ordered from Oracle or an authorized reseller for the Programs. If ordered, annual technical support (including first year and all subsequent years) is provided under Oracle's technical support policies in effect at the time the technical support services are provided. You agree to cooperate with Oracle and provide the access, resources, materials, personnel, information and consents that Oracle may require in order to perform the technical support services. The technical support policies are incorporated in this order and are subject to change at Oracle's discretion; however, Oracle policy changes will not result in a material reduction in the level of technical support services provided for supported Programs during the period for which fees for technical support have been paid. You should review the policies prior to entering into the order for the applicable technical support services. You may access the current version of the technical support policies at <http://oracle.com/contracts>.

If You decide to purchase technical support for any Program license within a license set, You are required to purchase technical support at the same level for all licenses within that license set. You may desupport a subset of licenses in a license set only if You agree to terminate that subset of licenses. The technical support fees for the remaining licenses will be priced in accordance with the technical support policies in effect at the time of termination. Oracle's license set definition is available in the current technical support policies. If You decide not to purchase technical support, You may not update any unsupported Program licenses with new versions of the Program."

B. General Terms

1. Summary of Fees

- a. Listed above is a summary of net fees due under this order. All fees on this order are in US Dollars.
- b. You have ordered Hardware and/or Programs and 365 days of technical support services.

2. Technical Support

a. Software Update License & Support (or any successor technical support offering to Software Update License & Support, "SULS") acquired on this order may be renewed annually and, if You renew SULS for the same number of licenses for the same Programs, for the first and second renewal years the fee for SULS will not increase by more than 4% over the prior year's fees.

3. Commencement Date

a. The "Commencement Date" refers to the date of shipment of tangible media or the effective date of this order if shipment of tangible media is not required.

4. Territory

a. The Program licenses included on this order are for use in the United States.

5. Delivery and Installation

a. You are responsible for installation of the Programs unless the Programs have been pre-installed by Oracle on the Hardware You are purchasing under the order or unless You purchase installation services from Oracle for those Programs.

b. Notwithstanding anything to the contrary in the Master Agreement, Oracle has no delivery obligation under this order. You acknowledge that Oracle has delivered to Your location, 1 copy of the software media and 1 set of Program Documentation (in the form generally available) for each Program listed in the Program and Program-Related Service Offerings section above.

c. Oracle has made available to You for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com> the Programs listed in the Programs and Program Support Service Offerings section of the applicable order. Through the Internet URL, You can access and electronically download to Your location the latest production release as of the effective date of the applicable order of the software and related Program Documentation for each Program listed. Provided that You have continuously maintained technical support for the listed Programs, You may continue to download the Programs and related Program Documentation. Please be advised that not all Programs are available on all hardware/operating system combinations. For the most recent Program availability please check the electronic delivery web site

specified above. You acknowledge that Oracle is under no further delivery obligation with respect to Programs under the applicable order, electronic download or otherwise.

Provided that you have continuously maintained technical support for the programs for the licensed quantities listed above, Oracle will make available to you for electronic download the updates provided under technical support to the programs listed above.

Should you require a replacement copy of the software or program documentation, such replacement copy shall also be delivered electronically. You shall not be entitled to any replacement copy in the form of tangible media for the software or the program documentation.

You acknowledge and agree that (a) as of the effective date of this order, you have not received any tangible media for the programs listed above, (b) any rights to receive tangible media granted under the agreement shall not be applicable to or provided for the programs listed above or for any updates to these programs, (c) you have requested to receive via electronic delivery all updates for the programs listed above that are provided by Oracle under Oracle's technical support services, and (d) you are solely responsible for ensuring that you do not order tangible media from Oracle for the programs which you receive via electronic delivery or for any updates to these programs.

In the event that you order updates for delivery via tangible media shipment (e.g., shipment of CD Pack(s)), sales taxes and interest may be due, and you agree to reimburse Oracle for any applicable sales taxes and interest (the interest rate used will be the applicable state's rate on sales tax underpayments) related to acquisition of such updates (as specified in the agreement).

6. Effective Date

a. If accepting this order electronically, the effective date of this order is the date You click to accept the order. If accepting this order via E -sign, the effective date of this order is the date You adopt and sign. If accepting this order via Download and Sign, the effective date is the date you return the document to Oracle. Otherwise, the effective date is stated below.

7. Pricing Invoicing and Payment Obligation

a. In entering into payment obligations under this order, You agree and acknowledge that You have not relied on the future availability of any Program or updates. However, (a) if You order technical support, the preceding sentence does not relieve Oracle of its obligation to provide such technical support under the Master Agreement, if and when available, in accordance with Oracle's then current technical support policies, and (b) the preceding sentence does not change the rights granted to You under this order and the Master Agreement.

b. You understand that You may receive multiple invoices for the products and/or Service Offerings You ordered. Invoices will be submitted to You pursuant to Oracle's Invoicing Standards Policy, which may be accessed at <http://oracle.com/contracts>.

c. Program fees are invoiced as of the Commencement Date for the Programs.

d. Program -related Service Offering fees are invoiced in arrears of the Program -related Service Offering performance; specifically, technical support fees are invoiced quarterly in arrears. The period of performance for all Program-related Service Offerings is effective upon the Commencement Date.

8. Fees

a. Once placed, Your order shall be non-cancelable and the sums paid nonrefundable, except as provided in the Master Agreement.

9. Order of Precedence

a. In the event of inconsistencies between the terms contained in this order and the Master Agreement, this order shall take precedence. This order will control over the terms contained in any purchase order.

10. Offer Validity

a. This order is valid through 20-May-2022, and shall become binding upon execution by You and acceptance by Oracle.

11. Segmentation

The purchase of any products (i.e., hardware (including integrated software and operating system) and programs) and related Service Offerings or other Service Offerings are all separate offers and separate from any other order for any products and related Service Offerings or other Service Offerings You may receive or have received from Oracle. You understand that You may purchase any products and related Service Offerings or other Service Offerings independently of any other products or Service Offerings. Your obligation to pay for (a) any products and related Service Offerings is not contingent on performance of any other Service Offerings or delivery of any other products or (b) other Service Offerings is not contingent on delivery of any products or performance of any additional/other Service Offerings. You acknowledge that You have entered into the purchase without reliance on any financing or leasing arrangement with Oracle or its affiliate.

12. Trial Programs

You may order trial Programs, or Oracle may include additional Programs with Your order which You may use for trial, non -production purposes only. You may not use the trial Programs to provide or attend third party training on the content and/or functionality of the Programs. You have 30 days from the Commencement Date to evaluate these Programs. To use any of these Programs after the 30 day trial period, You must obtain a license for such Programs from Oracle or an authorized reseller. If You decide not to obtain a license for any Program after the 30 day trial period, You will cease using and promptly delete any such Programs from Your computer systems. Programs licensed for trial purposes are provided "as is" and Oracle does not provide technical support or offer any warranties for these Programs.

13. Source Code

Oracle may deliver source code as part of its standard delivery for particular Programs, Operating System or Integrated Software; all source code delivered by Oracle is subject to the terms of the Agreement, the applicable order and the applicable Program Documentation.

C. Other

1. Order Placed Pursuant to Expansion (ILF)

The Program licenses listed in the Program and Program-Related Service Offerings section with the license types Enterprise Employee Perpetual are ordered and subject to the applicable fees and terms of the order between You and Oracle dated 29-May-2009 As of the effective date of this order, Your actual Enterprise Employee Perpetual is greater than or equal to 12,610. The Summary Exhibit lists the Program licenses acquired prior to the effective date, the Program licenses acquired under this order and the total number of Program licenses acquired to date.

Summary Exhibit

Program Description	License Type	Number of Program Licenses Acquired Prior to Effective Date	Number of Program Licenses Acquired under the Programs and Program-Related Service Offerings section	Total Number of Program Licenses Acquired as of the Effective Date (Under This Ordering Document)
PeopleSoft Enterprise Human Resources	Enterprise Employee Perpetual	12,610	970	13,580
PeopleSoft Enterprise Payroll				
PeopleSoft Enterprise Absence Management				
PeopleSoft Enterprise Time and Labor				
PeopleSoft Enterprise Recruiting Solutions				
PeopleSoft Enterprise ePerformance				
PeopleSoft Enterprise Benefits Administration				
PeopleSoft Enterprise eCompensation				
PeopleSoft Enterprise Enterprise Learning Management				
PeopleSoft Enterprise Workforce Rewards				
PeopleSoft Enterprise Workforce Scorecard				
PeopleSoft Enterprise HCM Portal Pack				

2. Order Placed Pursuant to Expansion (ILF)

The Program licenses listed in the Program and Program-Related Service Offerings section with the license types Enterprise \$M in Operating Budget Perpetual are ordered and subject to the applicable fees and terms of the order between You and Oracle dated 29-May-2009 As of the effective date of this order, Your actual Enterprise \$M in Operating Budget Perpetual is greater than or equal to 3,200. The Summary Exhibit lists the Program licenses acquired prior to the effective date, the Program licenses acquired under this order and the total number of Program licenses acquired to date.

Summary Exhibit

Program Description	License Type	Number of Program Licenses Acquired Prior to Effective Date	Number of Program Licenses Acquired under the Programs and Program-Related Service Offerings section	Total Number of Program Licenses Acquired as of the Effective Date (Under This Ordering Document)
PeopleSoft Enterprise Financials	Enterprise \$M in Operating Budget Perpetual	3,200	320	3,520
PeopleSoft Enterprise Treasury				

PeopleSoft Enterprise Financials Portal Pack				
PeopleSoft Enterprise Purchasing				
PeopleSoft Enterprise Inventory				
PeopleSoft Enterprise eSupplier Connection				
PeopleSoft Enterprise eProcurement				
PeopleSoft Enterprise Strategic Sourcing				
PeopleSoft Enterprise Supplier Contract Management				
PeopleSoft Enterprise Asset Management				
PeopleSoft Enterprise Project Costing				
PeopleSoft Enterprise Contracts				
PeopleSoft Enterprise Grants				
PeopleSoft Enterprise Expenses				
PeopleSoft Enterprise Program Management				
PeopleSoft Enterprise EPM Portal Pack				
PeopleSoft Enterprise Scorecard				
PeopleSoft Enterprise Planning and Budgeting				
PeopleSoft Enterprise Performance Management Warehouse				
PeopleSoft Enterprise Interaction Hub				
Oracle Hyperion Capital Asset Planning				
Oracle Hyperion Workforce Planning				
Oracle Hyperion Planning - System 9				
Hyperion Performance Scorecard Plus				
PeopleSoft Enterprise Supplier Rating System				

Nassau County, New York	Oracle America, Inc.
Signature _____	Signature _____
Name _____	Name _____
Title _____	Title _____
Signature Date _____	Signature Date _____

BILL TO / SHIP TO INFORMATION

Bill To		Ship To	
Customer Name	Nassau County, New York	Customer Name	Nassau County, New York
Customer Address	240 Old County Road Mineola NY 11501	Customer Address	240 Old County Road Mineola NY 11501
Contact Name	Kathleen Dolan	Contact Name	Kathleen Dolan
Contact Phone	1-516-5714265	Contact Phone	1-516-5714265
Contact Email	kdolan@nassaucountyny.gov	Contact Email	kdolan@nassaucountyny.gov



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Oracle America, Inc.

2. Amount requiring NIFA approval: \$557,781.05

Amount to be encumbered: \$145,000.00

Slip Type: Amendment

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: 05/29/2009 to 05/31/2024

Has work or services on this contract commenced? Yes

If yes, please explain: This is a required user license count increase having been experienced during the use of the product.

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

IT uses Oracle Licenses and software for the implementation of the Enterprise Resource Planning Solutions(Peoplesoft), which replaced NUHRS in September 2020. This amendment is to secure funds for an increased user license count and its support through 5/31/24. The contract ceiling is increasing by \$557,781.05 to support this through 5/31/24.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

03/17/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Elaine Phillips
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Oracle America, Inc.

CONTRACTOR ADDRESS: 500 Oracle Parkway, Redwood Shores, CA 94065

FEDERAL TAX ID #: 9428 05249

Instructions: Please check the appropriate box (“”) after one of the following roman numerals, and provide all the requested information.

I. The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids. The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. The contractor was selected pursuant to a Request for Proposals.
The Contract was entered into after a written request for proposals was issued on _____ [date]. Potential proposers were made aware of the availability of the RFP by advertisement in _____ [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on _____ [date]. _____ [state #] proposals were received and evaluated. The evaluation committee consisted of: _____

_____ (list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on May 29, 2009 [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after a written request for proposals was issued on March 3, 2008. Potential proposers were made aware of the availability of the RFP by advertising in Newsday and on the website, mailing etc. Proposals were due on April 2, 2008. Twenty Six proposers requested copies of the RFP.

Three Proposals were received, evaluated, scored and ranked, As a result the highest-ranking proposer was selected. [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A. The contract has been awarded to the proposer offering the lowest cost proposal; OR:
- B. The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

D. Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

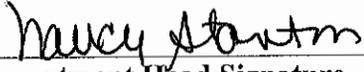
Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.



Department Head Signature

1/14/22

Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:



Dated: 25-Oct-2021 | 2:39 PM PDT

Vendor: Oracle America, Inc.

Title: Group Vice President

The above signatory is an authorized representative of Oracle America, Inc. and is signing this form on behalf of Oracle America, Inc. and not in his or her individual capacity.



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

NONE

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

Oracle does not have a registered lobbyist in Nassau County

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

NONE

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

NONE

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

NONE

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:



Dated: 25-Oct-2021 | 2:39 PM PDT

Vendor: Oracle America, Inc.

Title: Group Vice President

The above signatory is an authorized representative of Oracle America, Inc. and is signing this form on behalf of Oracle America, Inc. and not in his or her individual capacity.

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses. attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Kurt Solsky
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: United States

Business Address: 1900 Oracle Way
City: Reston State/Province/Territory: VA Zip/Postal Code: 20190
Country: United States
Telephone: 703-478-9000

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	GVP, Oracle Digital Applications - Licensed Business		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

***Because this is being submitted on behalf of Oracle America, Inc. and not for the signatory in his individual capacity, individual declines to provide personal information requested in this section**

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:
- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

***Please see the below statement for questions 7-13.**

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

***Please see the below statement for questions 7-13.**

Statement for Questions 7-13:

Questions 7-13 appear to correspond to other businesses identified in the response to Question 5 and Respondent's history as a principal in such other businesses or non-profit organizations. Accordingly, Respondent answered "no" to Question 5, indicating that he has not in the past three years been a principal owner or officer of a business or non-profit other than Oracle. Accordingly, Respondent has answered "no" to Questions 7-13. Respondent and Oracle do not interpret Questions 7-13 as seeking any information about Respondent personally or Respondent's involvement in any business or nonprofit organization outside of those identified in response to Section 5, of which there are none, and no such information is provided or represented in Respondent's answers to Questions 7-13.

I, Kurt Solsky , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Kurt Solsky , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Oracle America, Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by 

Group Vice President

Title

21-Dec-2021 | 10:11 AM PST

Date

The above signatory is an authorized representative of Oracle America, Inc. and is signing this form on behalf of Oracle America, Inc. and not in his or her individual capacity.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 18-Nov-2021 | 3:27 PM PST

1) Proposer's Legal Name: Oracle America, Inc.

2) Address of Place of Business: FJ€€U:æ^ Y æ

City: Re•q } State/Province/Territory: XA Zip/Postal Code: GEFJ€€ İ H

Country: United States

3) Mailing Address (if different): It is not different

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? If other, please provide details:
Our properties consist of owned and leased office facilities for sales, support, research and development, services, manufacturing, cloud operations and administrative and other functions.

4) Dun and Bradstreet number: 620827688

5) Federal I.D. Number: 94-2805249

6) The proposer is a: Ô[!][!æ] (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:
Oracle has numerous offices around the world and occasionally may share buildings with other companies

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:
Oracle America, Inc. has subsidiaries

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:
Oracle America, Inc. has shareholders

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

*Please see Addendum #1

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

*Please see Addendum #1

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES NO If yes, provide details for each such year. Provide a detailed response to all

Oracle operates numerous facilities in multiple jurisdictions which may levy water and sewer charges. A comprehensive review of all such charges was not performed for the purposes of this form.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

Vendor is not clear how County defines "material financial relationships"; however Vendor is not currently aware of any material financial relationships of Vendor or its officers and Directors that would constitute a conflict as it pertains to Oracle's provisions of products/services under the relevant contract.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

Vendor is not clear how County defines "family relationship". Vendor does not require candidates to disclose family relationships upon hire. Vendor is not currently aware of any family relationships that would constitute conflict as it pertains to Oracle's provision of products/services under the relevant contract.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

To the best of Vendor's knowledge at this time, no such conflict exists as it pertains to Vendor's provision of products/services under the relevant contract.

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

Vendor has internal policies and processes designed to identify and prevent conflicts of interest with customers.

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation; September 17, 1986

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

Indirectly wholly owned by Oracle Corporation

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

Please see Addendum #2

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable); Delaware

v) The number of employees in the firm; As of May 31, 2021, we employed approximately 132,000 full-time employees, of which approximately 45,000 were employed in the U.S. and approximately 87,000 were employed internationally.

vi) Annual revenue of firm; Please refer to Oracle's Form 10-K, can be found at the following site: <http://investor.oracle.com/financial-reporting/sec-filings/default.aspx>

vii) Summary of relevant accomplishments

Oracle provides products and services that address all aspects of corporate information technology (IT) environments.

viii) Copies of all state and local licenses and permits.

Oracle America, Inc. does not hold a business license with the state or any local jurisdictions in New York.

B. Indicate number of years in business.

Oracle America, Inc. is a wholly owned subsidiary of Oracle Corporation (Oracle). Founded June 1977

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

None

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company _____
Contact Person _____
Address _____
City _____ State/Province/Territory _____
Country _____
Telephone _____
Fax # _____
E-Mail Address _____

Company _____
Contact Person _____
Address _____
City _____ State/Province/Territory _____
Country _____
Telephone _____
Fax # _____
E-Mail Address _____

Company _____
Contact Person _____
Address _____
City _____ State/Province/Territory _____
Country _____
Telephone _____
Fax # _____
E-Mail Address _____

I, kurt sołsky , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, kurt sołsky , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Oracle America, Inc.

Electronically signed and certified at the date and time indicated by: 

Group Vice President

Title

18-Nov-2021 | 3:27 PM PST

Date

The above signatory is an authorized representative of Oracle America, Inc. and is signing this form on behalf of Oracle America, Inc. and not in his or her individual capacity.

From: [Kessler, Michael](#)
To: [Schulman, Ari](#)
Cc: [Cleary, Robert](#)
Subject: FW: Oracle Corp Reference - MBTA
Date: Monday, May 2, 2022 10:37:23 AM
Attachments: [Nassau Oracle Reference.pdf](#)
Importance: High

Hi Ari,

I'm including you on this, as I had forgotten to, last week (apologies for that). Could you [or Robert] provide an ETA for its Procurements approval(s)? As Robert knows, this Oracle amendment has been a long process and we are trying to get this before the Leg, this month. This is an important amendment/contract.

Thanks,
Michael

Michael Kessler

IT Project Manager

Nassau County Department of Information Technology
240 Old Country Road, Suite 608
Mineola, NY 11501
(516) 571-0158

From: Kessler, Michael
Sent: Thursday, April 28, 2022 10:28 AM
To: Cleary, Robert <RCleary@nassaucountyny.gov>
Cc: Stanton, Nancy <nstanton@nassaucountyny.gov>; Alpoge, Simay <salpoge@nassaucountyny.gov>; Torla, Rosemarie <RTorla@nassaucountyny.gov>
Subject: RE: Oracle Corp Reference - MBTA
Importance: High

Hi Robert,

Yesterday afternoon, I had a conversation with Ms Stephanie Shaughnessy, Director of Enterprise Applications, Financial Systems for MBTA - Information Technology Dept, regarding Oracle Corp, as they, too, are utilizing the PeopleSoft suite of applications. Currently, they are using the Procurements, inventory, And Financials modules/components. They've been using these products since 2004. They are currently in discussions with their sales/contact management team regarding further increasing their PeopleSoft product set profile. They have had no issues in their dealings or support needs with Oracle and/or the products, have found them to be responsive to their needs and would recommend them/product suite. If needed, I can provide her contact information.

I believe that this, the one below, and the reference previously sent (attached, again, hereon) should suffice the vendor integrity requirements. Please approve the [new] ECRS Amendment entry (Contract CFIT09000001, NIFS Id: CLIT22000001), ASAP, as we are trying to get this before the Leg.

Thanks,
Michael

Michael Kessler

IT Project Manager

Nassau County Department of Information Technology
240 Old Country Road, Suite 608
Mineola, NY 11501
(516) 571-0158

From: Kessler, Michael

Sent: Thursday, April 21, 2022 11:34 AM

To: Cleary, Robert <RCleary@nassaucountyny.gov>

Cc: Stanton, Nancy <nstanton@nassaucountyny.gov>; Alpoge, Simay <salpoge@nassaucountyny.gov>; Torla, Rosemarie <RTorla@nassaucountyny.gov>

Subject: Oracle Corp Reference

Hi Robert,

I just spoke with Ms. Jayasree Chavali, Acting Director of the PeopleSoft Center of Excellence for New York State (NYS) regarding her experience with Oracle Corporation and their support of the PeopleSoft product line. NYS is currently utilizing multiple Oracle PeopleSoft products, including Enterprise Learning System, Benefits, ATM apps, and HRMS among them. She stated that she has found Oracle to be very responsive to her needs. They were very helpful in their efforts to combine 3 legacy PeopleSoft apps into the current HRMS system. As well, she found working with them and their salesperson/contract manager, Clayton Hatcher, pleasurable.

Summarizing the conversation, she found Oracle Corporation to be reputable, responsive and responsible, and would recommend them as a vendor.

Jayasree's contact information is: 518-225-3636; jaya.chavali@its.ny.gov , if needed.

Regards,
Michael

Michael Kessler

IT Project Manager

Nassau County Department of Information Technology
240 Old Country Road, Suite 608
Mineola, NY 11501
(516) 571-0158

COUNTY OF SUFFOLK



STEVEN BELLONE
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF INFORMATION TECHNOLOGY

ARI MCKENZIE
DEPUTY COMMISSIONER

SCOTT MASTELLON
COMMISSIONER

LARRY KRIEB
DEPUTY COMMISSIONER

Nancy Stanton, Commissioner
Nassau County Department of Information Technology
240 Old Country Rd
Mineola, NY 11501

March 23, 2022

Ms. Stanton,

As you know, I am the Commissioner of the Department of Information Technology in Suffolk County and have held this position for close to six (6) years. We have been using Oracle for our database management system since I have been in this position and it has been in use within the County for many years prior to my tenure. In my opinion, Oracle is one of the top performing vendors in meeting our technical needs and one that I would recommend for other government agencies. Their products and overall support have proven to be a tremendous asset to our government.

If you should have any questions or require any additional information on our use of Oracle products, the value their products provide to Suffolk County and/or their support services, please do not hesitate to contact me.

Sincerely,

Scott Mastellon
Commissioner, Department of Information Technology

Cc: Al Perez, Deputy Commissioner, Nassau County Department of Information Technology

Addendum #1 to Business History Form

Generally, unless otherwise stated by the respondent, all responses to this questionnaire are limited to the best of the respondent's knowledge and to Oracle America, Inc. ("Oracle"), and the acts or omissions of any acquired companies only after the date of the acquisition.

Question 10 – Oracle's response is provided by and limited to Oracle America, Inc. on behalf of itself and its acquired companies after the date of acquisition by Oracle America, Inc., and is provided to the best of Oracle America, Inc.'s knowledge as of the date of submission. Oracle has not had a bond or surety cancelled or forfeited. Oracle has had contracts with government entities terminate in the normal course of business; no court has ordered a contract with a governmental entity terminated for breach or failure to perform.

Questions 12 and 13 – Oracle's response is provided by and limited to Oracle America, Inc. on behalf of itself, its acquired companies after the date of acquisition by Oracle America, Inc., and the Section 16 Officers and Directors of Oracle Corporation during their time of employment by Oracle and as it relates to the conduct of Oracle's business, and is provided to the best of Oracle America, Inc.'s knowledge as of the date of submission. Oracle is subject to various legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business and which may include regulatory matters and investigations by government agencies. Oracle is a public company and, as such, reports all litigation and/or legal claims that may have a material, adverse effect on the operation of its business in its Form 10-K filings and any subsequent updates with the Securities and Exchange Commission. Oracle's Form 10-K can be found at the following site: <http://investor.oracle.com/financial-reporting/sec-filings/default.aspx>. Oracle's response generally excludes any confidential investigations that may exist at the time. With respect to Oracle's Section 16 officers, to the best of its knowledge, Oracle is not aware of any such investigation or proceeding.

Question 14 – Oracle's response is limited to the Section 16 Officers and Directors of Oracle Corporation during their time of employment with Oracle and as it relates to the conduct of Oracle's business, and is provided to the best of Oracle America Inc.'s knowledge at the time of submission. Oracle objects to clauses related to misdemeanors, which could include routine traffic tickets; Oracle would have no knowledge of these infractions.

Question 15 – Oracle's response is provided by and limited to Oracle America, Inc. on behalf of itself, its acquired companies after the date of acquisition by Oracle America, Inc., and the Section 16 Officers and Directors of Oracle Corporation during their time of employment by Oracle and as it relates to the conduct of Oracle's business, and is provided to the best of Oracle America, Inc.'s knowledge as of the date of submission.

Addendum #2
Oracle America, Inc.

Directors and Officers:

Name	Position(s)
Safra Catz	Director / Chief Executive Officer
Dorian Daley	Director / Executive Vice President / General Counsel
Lawrence J. Ellison	Chief Technology Officer
Douglas Kehring	Executive Vice President
William Corey West	Executive Vice President / Chief Accounting Officer
Gregory Hilbrich	Executive Vice President / Treasurer
Brian S. Higgins	Vice President / Secretary
Sangita Mata	Assistant Treasurer
Lisa Hickman-Lott	Vice President, Tax
Clayton Reeves	Vice President, Tax
Jacklyn Park	Assistant Secretary
Kimberly Woolley	Assistant Secretary
Edward Screven	Chief Corporate Architect

The Address of all above officers and directors is the following:

500 Oracle Parkway, Redwood City, CA 94065

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended May 31, 2021

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ___ to ___
Commission File Number: 001-35992

Oracle Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
2300 Oracle Way
Austin, Texas
(Address of principal executive offices)

54-2185193
(I.R.S. Employer
Identification No.)

78741
(Zip Code)

(737) 867-1000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, par value \$0.01 per share
3.125% senior notes due July 2025

Trading Symbol(s)

ORCL
—

Name of each exchange on which registered

New York Stock Exchange
New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES NO

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

The aggregate market value of the voting stock held by non-affiliates of the registrant was \$96,373,328,000 based on the number of shares held by non-affiliates of the registrant as of May 31, 2021, and based on the closing sale price of common stock as reported by the New York Stock Exchange on November 30, 2020, which is the last business day of the registrant's most recently completed second fiscal quarter. This calculation does not reflect a determination that persons are affiliates for any other purposes.

Number of shares of common stock outstanding as of June 15, 2021: 2,792,000,000.

Documents Incorporated by Reference:

Portions of the registrant's definitive proxy statement relating to its 2021 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such proxy statement will be filed with the U.S. Securities and Exchange Commission within 120 days of the registrant's fiscal year ended May 31, 2021

ORACLE CORPORATION

FISCAL YEAR 2021
FORM 10-K
ANNUAL REPORT

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Cautionary Note on Forward-Looking Statements

For purposes of this Annual Report, the terms “Oracle,” “we,” “us” and “our” refer to Oracle Corporation and its consolidated subsidiaries. This Annual Report on Form 10-K contains statements that are not historical in nature, are predictive in nature, or that depend upon or refer to future events or conditions or otherwise contain forward-looking statements within the meaning of Section 21 of the Securities Exchange Act of 1934, as amended (the Exchange Act), and the Private Securities Litigation Reform Act of 1995. These include, among other things, statements regarding:

- our expectations regarding the impacts on our business as a result of the global COVID-19 pandemic;
- our expectation that we may acquire companies, products, services and technologies to further our corporate strategy as compelling opportunities become available;
- our belief that our acquisitions enhance the products and services that we can offer to customers, expand our customer base, provide greater scale to accelerate innovation, grow our revenues and earnings, and increase stockholder value;
- our expectation that, on a constant currency basis, our total cloud and license revenues generally will continue to increase due to expected growth in our cloud services and our license support offerings, and continued demand for our cloud license and on-premise license offerings;
- our belief that our Oracle Cloud Software-as-a-Service and Infrastructure-as-a-Service (SaaS and IaaS, respectively, and collectively, Oracle Cloud Services) offerings are opportunities for us to expand our cloud and license business, and that we are in the early stages of what we expect will be a material migration of our existing Oracle customer base from on-premise applications and infrastructure products and services to the Oracle Cloud;
- our belief that we can market our SaaS and IaaS services to a broader ecosystem of small and medium-sized businesses, non-IT lines of business purchasers, developers and partners due to the highly available, intuitive design, low touch and low cost characteristics of the Oracle Cloud;
- our expectation that substantially all of our customers will renew their license support contracts annually;
- our belief that Oracle Fusion Cloud ERP is a strategic suite of applications that is foundational to facilitate and extract more business value out of the adoption of other Oracle SaaS offerings as customers realize the value of a common data model that spans across core business applications;
- our belief that our SaaS offerings remove business boundaries between front- and back-office activities;
- our expectations regarding the Oracle Autonomous Database to deliver rapid insights and innovation to our customers while also reducing customer downtime and cost;
- our expectation that current and expected customer demand will require us to accelerate cloud services and license support expenses in order to expand the Oracle Cloud by increasing existing data center capacity and adding additional data centers in new geographic locations, which may result in lower total operating margins in future periods;
- our expectation that our hardware business will have lower operating margins as a percentage of revenues than our cloud and license business;
- our expectation that we will continue to make significant investments in research and development, and our belief that research and development efforts are essential to maintaining our competitive position;
- our expectation that our international operations will continue to provide a significant portion of our total revenues and expenses;
- our expectation that variable expenditures that were curtailed primarily in response to COVID-19 may normalize in future periods provided global economic conditions improve;

- our expectation that the proportion of our cloud services and license support revenues relative to our cloud license and on-premise license revenues, hardware revenues and services revenues will continue to increase;
- the sufficiency of our sources of funding for working capital, capital expenditures, contractual obligations, acquisitions, dividends, stock repurchases, debt repayments and other matters;
- our belief that we have adequately provided under U.S. generally accepted accounting principles for outcomes related to our tax audits and that the final outcome of our tax-related examinations, agreements or judicial proceedings will not have a material effect on our results of operations, and our belief that our net deferred tax assets will likely be realized in the foreseeable future;
- our belief that the outcome of certain legal proceedings and claims to which we are a party will not, individually or in the aggregate, result in losses that are materially in excess of amounts already recognized, if any;
- the possibility that certain legal proceedings to which we are a party could have a material impact on our financial position, future cash flows and results of operations;
- the possibility that we may incur additional restructuring expenses in future periods due to the initiation of new restructuring plans;
- declarations of future cash dividend payments and the timing and amount of future stock repurchases, including our expectation that the levels of our future stock repurchase activity may be modified in comparison to past periods in order to use available cash for other purposes;
- our expectations regarding the impact of recent accounting pronouncements on our consolidated financial statements;
- our expectation that, to the extent customers renew support contracts or cloud SaaS and IaaS contracts from companies that we have acquired, we will recognize revenues for the full contracts' values over the respective renewal periods;
- our ability to predict revenues, particularly certain cloud license and on-premise license revenues and hardware revenues;
- the percentage of remaining performance obligations that we expect to recognize as revenues over the next twelve months;

as well as other statements regarding our future operations, financial condition and prospects, and business strategies. Forward-looking statements may be preceded by, followed by or include the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "strives," "endeavors," "estimates," "will," "should," "is designed to" and similar expressions. We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about our business that could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" included elsewhere in this Annual Report and as may be updated in filings we make from time to time with the U.S. Securities and Exchange Commission (the SEC), including our Quarterly Reports on Form 10-Q to be filed by us in our fiscal year 2022, which runs from June 1, 2021 to May 31, 2022.

We have no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or risks, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. New information, future events or risks could cause the forward-looking events we discuss in this Annual Report not to occur. You should not place undue reliance on these forward-looking statements, which reflect our expectations only as of the date of this Annual Report.

PART I

Item 1. Business

Oracle provides products and services that address enterprise information technology (IT) environments. Our products and services include applications and infrastructure offerings that are delivered worldwide through a variety of flexible and interoperable IT deployment models. These models include on-premise deployments, cloud-based deployments, and hybrid deployments (an approach that combines both on-premise and cloud-based deployment) such as our Oracle Cloud@Customer offering (an instance of Oracle Cloud in a customer's own data center). Accordingly, we offer choice and flexibility to our customers and facilitate the product, service and deployment combinations that best suit our customers' needs. Our customers include businesses of many sizes, government agencies, educational institutions and resellers that we market and sell to directly through our worldwide sales force and indirectly through the Oracle Partner Network. Using Oracle technologies, our customers build, deploy, run, manage and support their internal and external products, services and business operations including, for example, a global cloud application supplier that utilizes Oracle Cloud Infrastructure-as-a-Service (IaaS) to provide its Software-as-a-Service (SaaS) offerings; a multi-national financial institution that runs its banking applications using the Oracle Exadata Database Machine; and a global consumer products company that leverages Oracle Fusion Cloud Enterprise Resource Planning for its accounting processes, consolidation and financial planning functions.

Oracle Cloud Services offerings, which include Oracle SaaS and Oracle IaaS offerings, provide a comprehensive and integrated stack of applications and infrastructure services delivered via cloud-based deployment models. Oracle Cloud Services integrate the software, hardware and services on a customer's behalf in a cloud-based IT environment that Oracle deploys, upgrades, supports and manages for the customer.

Oracle Cloud Services are designed to be rapidly deployable to enable customers shorter time to innovation; intuitive for casual and experienced users; easily maintainable to reduce upgrade, integration and testing work; connectable among differing deployment models to enable interchangeability and extensibility between IT environments; compatible to easily move workloads between the Oracle Cloud and other IT environments; cost-effective by requiring lower upfront customer investment; and secure, standards-based and reliable.

Oracle cloud license and on-premise license deployment offerings include Oracle Applications, Oracle Database and Oracle Middleware software offerings, among others, which customers deploy using IT infrastructure from the Oracle Cloud or their own cloud-based or on-premise IT environments. Substantially all customers, at their option, purchase license support contracts when they purchase an Oracle license.

Oracle hardware products include Oracle Engineered Systems, servers, storage and industry-specific products, among others. Customers generally opt to purchase hardware support contracts when they purchase Oracle hardware products.

Oracle also offers services to assist our customers and partners to maximize the performance of their Oracle purchases.

Providing choice and flexibility to Oracle customers as to when and how they deploy Oracle applications and infrastructure technologies is an important element of our corporate strategy. We believe that offering customers broad, comprehensive, flexible and interoperable deployment models for Oracle applications and infrastructure technologies is important to our growth strategy and better addresses customer needs relative to our competitors, many of whom provide fewer offerings, more restrictive deployment models and less flexibility for a customer's transition to cloud-based IT environments.

Our investments in, and innovation with respect to, Oracle products and services that we offer through our three businesses (cloud and license, hardware and services businesses, described further below) are another important element of our corporate strategy. In fiscal 2021, 2020 and 2019, we invested \$6.5 billion, \$6.1 billion and \$6.0 billion, respectively, in research and development to enhance our existing portfolio of offerings and products and to develop new technologies and services. We have a deep understanding as to how applications and infrastructure technologies interact and function with one another. We focus our development efforts on improving the performance, security, operation, integration and cost-effectiveness of our offerings relative to our competitors; facilitating the ease with which organizations are able to deploy, use, manage and maintain our offerings; and incorporating emerging technologies within our offerings to enable leaner business processes,

automation and innovation. For example, the Oracle Autonomous Database is designed to deliver transformational infrastructure through an Oracle Cloud IaaS offering that utilizes Oracle's Next-Generation Cloud Infrastructure's machine learning capabilities. After an initial purchase of Oracle products and services, our customers can continue to benefit from our offerings, research and development efforts and deep IT expertise by electing to purchase and renew Oracle support offerings for their license and hardware deployments, which may include product enhancements that we periodically deliver to our products, and by renewing their Oracle Cloud Services contracts with us.

Our selective and active acquisition program is another important element of our corporate strategy. We believe that our acquisitions enhance the products and services that we can offer to customers, expand our customer base, provide greater scale to accelerate innovation, grow our revenues and earnings, and increase stockholder value. We have invested billions of dollars over time to acquire a number of companies, products, services and technologies that add to, are complementary to, or have otherwise enhanced our existing offerings. We expect to continue to acquire companies, products, services and technologies to further our corporate strategy.

We have three businesses, each of which is comprised of a single operating segment. Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 15 of Notes to Consolidated Financial Statements, both included elsewhere in this Annual Report, provide additional information related to our businesses and operating segments.

Oracle Corporation was incorporated in 2005 as a Delaware corporation and is the successor to operations originally begun in June 1977.

Impacts of the COVID-19 Pandemic on Oracle's Business

Oracle is committed to the health, safety and welfare of our employees, customers, suppliers, communities, stockholders and other stakeholders. While the world continues to navigate the risks and uncertainties associated with the COVID-19 pandemic, we are committed to providing critical technologies, programs and support to individuals and organizations to navigate, adjust and advance their operations in light of the unique demands and constraints imposed by the pandemic. Many enterprises, governments and educational institutions have faced unprecedented disruption due to the COVID-19 pandemic and their customers expect to deal with organizations in digital ways more than ever before. Organizations have been required to adjust their operations and IT infrastructures to operate safely while agilely responding to evolving purchaser needs and business requirements. Organizations have turned to the Oracle Cloud to accelerate their digital transformations using applications and infrastructure technologies that are designed to be complete, current, and robust in order to safely and securely operate, safeguard and advance their business initiatives. Regardless of IT deployment model, Oracle has developed, delivered and supported products and services for decades that enable telecommunication companies to keep people connected; retailers to provide food and other necessities; researchers to identify solutions; hospitals to provide care; airlines to ensure travel; banks to help people access funds; insurers to provide benefits; governments to keep people safe and informed; utilities to supply power and water; and many other critical functions.

We have proactively sought, supported, donated to, partnered and engaged with organizations globally that provide critical medicines, research, goods and services to combat the COVID-19 pandemic, including:

- medical research organizations, which power COVID-19 simulation and modeling projects using Oracle Cloud IaaS;
- the U.S. federal government, which received Oracle's National Electronic Health Records Cloud and Oracle's Public Health Management Applications Suite to help public health agencies collect and analyze information related to COVID-19 and track any adverse effects related to COVID-19 vaccines;
- national governments of several African countries, which are receiving systems and services to manage public health vaccination programs, through our work with the Tony Blair Institute;
- hospitals, which have utilized Oracle infrastructure technologies to rapidly develop and deploy applications that collect, analyze and manage characteristics of COVID-19 patients;

- enterprises, which, at the onset of the COVID-19 pandemic, Oracle permitted at no additional charge to access Oracle Fusion Cloud Human Capital Management (HCM) options for employee health and safety programs in order to proactively manage and respond to COVID-19 implications on their workforces;
- state and local government agencies, which have utilized Oracle Cloud SaaS solutions to develop and target constituent outreach related to COVID-19, and to assess, research and respond to COVID-19 incident management on a unified platform; and
- pharmaceutical companies, which power their research and clinical trials using Oracle Health Sciences solutions;

among dozens of other specific use cases, programs and partnerships that Oracle has donated to, partnered with, developed and supported in response to the COVID-19 pandemic.

Oracle applications and infrastructure technologies are critical to the business operations of our customers, which number in the hundreds of thousands across a broad geographic and industry base. We are profitable and generate a large amount of positive cash flow from our operations and we do not believe the COVID-19 pandemic will jeopardize either of these characteristics of our business. Other impacts due to COVID-19 on our business are currently unknown.

For additional discussion regarding the impacts and risks to our business from the COVID-19 pandemic, refer to Item 1A Risk Factors and Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this Annual Report on Form 10-K.

Oracle Applications and Infrastructure Technologies

Oracle's comprehensive portfolio of applications and infrastructure technologies is designed to address an organization's IT environment needs including business process, infrastructure and applications development requirements, among others. Oracle technologies are based upon industry standards and are designed to be enterprise-grade, reliable, scalable and secure. Oracle applications and infrastructure technologies including database and middleware software as well as enterprise applications, virtualization, clustering, large-scale systems management and related infrastructure products and services are the building blocks of Oracle Cloud Services, our partners' cloud services, and our customers' cloud IT environments. Oracle applications and infrastructure offerings are marketed and sold through our cloud and license, hardware, and services businesses and are delivered through the Oracle Cloud, or through other IT deployment models including cloud-based, hybrid and on-premise deployments. We believe Oracle applications and infrastructure offerings enable flexibility, interoperability and choice to best meet customer IT needs.

We believe that our Oracle Cloud Services offerings are opportunities for us to expand our cloud and license business. We believe that our customers increasingly recognize the value of access to the latest versions of Oracle cloud-based applications and infrastructure capabilities via a lower cost, rapidly deployable, flexible and interoperable services model that Oracle provisions, manages, upgrades and maintains on the customer's behalf. We believe that we can market and sell our Oracle SaaS and IaaS offerings together to help new and existing customers migrate their extensive installed base of on-premise applications and infrastructure technologies to the Oracle Cloud and we believe we are in the early stages of what we expect will be a material migration of our existing Oracle customer base from on-premise applications and infrastructure products and services to the Oracle Cloud. In addition, we also believe we can market our SaaS and IaaS services to a broader ecosystem of small and medium-sized businesses, non-IT lines of business purchasers, developers and partners due to the highly available, intuitive design, low touch and low cost characteristics of the Oracle Cloud.

In recent periods, customer demand for our applications and infrastructure technologies delivered through our Oracle Cloud Services deployment models has increased. To address customer demand and enable customer choice, we have introduced certain programs for customers to pivot their applications and infrastructure licenses and license support contracts to the Oracle Cloud for new deployments and to migrate to and expand with the Oracle Cloud for their existing workloads. The proportion of our cloud services and license support revenues relative to our cloud license and on-premise license revenues, hardware revenues and services revenues has increased and represented 71%, 70% and 68% of our total revenues during fiscal 2021, 2020 and 2019, respectively. We expect these trends to continue.

Oracle Applications Technologies

Oracle applications technologies are marketed, sold, delivered and supported through our cloud and license business. Our applications cloud services and license support revenues represented 41% of our total cloud services and license support revenues in fiscal 2021 and 40% of our total cloud services and license support revenues in each of fiscal 2020 and 2019. Oracle applications technologies include our Oracle Cloud SaaS offerings, which are available for customers as a subscription, and Oracle Applications license offerings, which are available for customers to purchase for use within the Oracle Cloud, and other cloud-based and on-premise IT environments, and include the option to purchase related license support. Regardless of the deployment model selected, our applications technologies are designed to reduce the risk, cost and complexity of our customers' IT infrastructures, while supporting customer choice with flexible deployment models that readily enable performance, agility, compatibility and extensibility. Our applications technologies are generally designed using industry standard architectures to manage and automate core business functions across the enterprise, as well as to help customers differentiate and innovate in those processes unique to their industries or organizations. We offer applications that are deployable to meet several business automation requirements across a broad range of industries. We also offer industry-specific applications, which provide solutions to customers in the automotive, communications, construction and engineering, consumer goods, education and research, financial services, food and beverage, healthcare, high technology, hospitality, industrial manufacturing, life sciences, media and entertainment, public sector, retail and utilities industries, among others.

Oracle Cloud Software as a Service (SaaS)

Oracle's broad spectrum of Oracle Cloud SaaS offerings provides customers a choice of software applications that are delivered via a cloud-based IT environment that we host, manage, upgrade and support, and that customers purchase by entering into a subscription agreement with us for a stated period. Customers access Oracle Cloud SaaS offerings utilizing common web browsers via a broad spectrum of devices. Our SaaS offerings are built upon open industry standards such as SQL, Java and HTML5 for easier application accessibility, integration and development. Our SaaS offerings represent an industry leading business innovation platform, leveraging Oracle's Next-Generation Cloud Infrastructure, and include a broad suite of modular, next generation cloud software applications spanning all core business functions including, among others:

- Oracle Fusion Cloud Enterprise Resource Planning (ERP), which is designed to be a complete, global and integrated ERP solution to help organizations improve decision making and workforce productivity, and to optimize back-office operations by utilizing a single data and security model with a common user interface;
- Oracle Fusion Cloud Enterprise Performance Management (EPM), which is designed to analyze financial performance, drive accurate and agile financial plans, optimize the financial close and consolidation process, streamline account reconciliation and satisfy an organization's reporting requirements;
- Oracle Fusion Cloud Supply Chain and Manufacturing Management (SCM), which is designed to help organizations create, optimize and digitize their supply chains and innovate products quickly;
- Oracle Fusion Cloud HCM, which is designed to help organizations find, develop and retain their talent, enable collaboration, provide complete workforce insights, improve business process efficiency, and enable users to connect to an integrated suite of HCM applications from any device;
- Oracle Fusion Cloud Advertising and Customer Experience including Sales, Service, Marketing and Advertising, which is designed to be a complete and integrated solution to help organizations deliver consistent and personalized customer experiences across their customer channels, touch points and interactions. It also enables organizations to leverage their own data and consumer data to inform and measure marketing strategies and programs; and
- NetSuite Applications Suite, which is designed to be a unified, cloud-based applications suite to run a company's entire business and includes financials and ERP, customer relationship management, human resources, professional services and commerce, among others. It is generally marketed to small to medium-sized organizations.

In addition, we offer several cloud-based industry solutions to address specific customer needs within certain industries including construction and engineering, retail, and utilities, among others.

Customers, partners and other interested parties may elect to subscribe to Oracle applications and infrastructure training and certification programs through a variety of online, cloud-based learning subscriptions offered by Oracle University. Learners generally have unlimited access to course content delivered during the subscription period.

We believe that the comprehensiveness and breadth of our SaaS offerings as a business innovation platform differentiate us from many of our competitors that offer more limited or specialized applications. Our SaaS offerings are designed to support connected business processes in the cloud and are centered on an intuitive and conversational user experience, a responsive, open and flexible business core, and a common data model. We believe Oracle Fusion Cloud ERP is a strategic suite of applications that is foundational to facilitate and extract more business value out of the adoption of other Oracle SaaS offerings, such as Oracle Fusion Cloud HCM and Oracle Fusion Cloud EPM, as customers realize the value of a common data model that spans across core business applications. We believe our SaaS offerings remove business boundaries between front- and back-office activities. Our SaaS offerings are designed to deliver a secure data isolation architecture and flexible upgrades; self-service access controls for users; a Service-Oriented Architecture; built-in social, mobile and business insight capabilities (analytics); and a high performance, high availability infrastructure based on our infrastructure technologies, including Oracle's Next-Generation Cloud Infrastructure. These SaaS capabilities are designed to simplify IT environments, reduce time to implementation and risk, provide an intuitive user experience for casual and experienced users, and enable customers to focus resources on business growth opportunities. Our SaaS offerings are also designed to natively incorporate advanced technologies such as Internet-of-Things (IoT), artificial intelligence, machine learning, blockchain, digital assistants and advances in the "human interface" and how users interact with Oracle Cloud SaaS offerings within a business context or to augment human capabilities to enhance productivity.

Oracle Applications Licenses

Customers have the ability to license Oracle Applications for use within the Oracle Cloud or within their own cloud-based or on-premise IT environments. Oracle Applications are designed to manage and automate core business functions across the enterprise, including HCM, ERP, EPM, SCM, Advertising and Customer Experience, and industry-specific applications as described above, among others.

We provide customers the option to purchase license support contracts in connection with the purchase of Oracle Applications licenses.

Oracle License Support

Oracle license support offerings are marketed and sold as a part of our cloud and license business. Substantially all of our customers opt to purchase license support contracts when they purchase Oracle applications and infrastructure licenses to run within the Oracle Cloud or other cloud-based and on-premise IT environments. We believe our license support offerings protect and enhance our customers' investments in Oracle applications and infrastructure technologies because they provide proactive and personalized support services including Oracle Lifetime Support and unspecified license enhancements and upgrades during the term of the support period. Substantially all license support customers renew their support contracts with us upon expiration in order to continue to benefit from technical support services and the periodic issuance of unspecified updates and enhancements, which current license support customers are entitled to receive. Our license support contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license and are typically one year in duration.

Oracle Infrastructure Technologies

Oracle infrastructure technologies are marketed, sold and delivered through our cloud and license business and through our hardware business. Our infrastructure technologies are designed to be flexible, cost-effective, standards-based, secure and high-performance in order to facilitate the development, running, integration, management and extension across an organization's cloud-based, on-premise and hybrid IT environments.

Our cloud and license business' infrastructure technologies include the Oracle Database, which is the world's most popular enterprise database; Java, which is the computer industry's most widely-used software development language; and middleware including development tools, among others. These technologies are available through a subscription to our Oracle Cloud IaaS offerings or through the purchase of a license and related license support, at the customer's option, to run within the Oracle Cloud, as a part of a customer's on-premise cloud services, and in other customer IT environments. Our cloud and license business' infrastructure technologies also include cloud-based compute, storage and networking capabilities, among others, through our Oracle Cloud IaaS offerings that are further described below. Our infrastructure offerings also include new and innovative services such as Oracle Autonomous Database (described further below) and emerging technologies such as IoT, digital assistant, and blockchain.

Our hardware business' infrastructure technologies consist of hardware products and certain unique hardware-related software offerings including Oracle Engineered Systems, enterprise servers, storage solutions, industry-specific hardware, virtualization software, operating systems, management software, and related hardware services, including hardware support at the customer's option. Our customers utilize Oracle hardware products and related offerings in their cloud-based, on-premise or hybrid environments to run their internal business operations and to deliver products and services to their customers.

We design our infrastructure technologies to work in our customers' on-premise IT environments that may include other Oracle or non-Oracle hardware or software components. Our flexible and open approach also provides Oracle customers with a choice as to how they can utilize and deploy Oracle infrastructure technologies: through the use of Oracle Cloud offerings; on-premise in our customers' data centers; or a hybrid combination of these two deployment models, such as in the Oracle Cloud@Customer deployment model (described further below). We focus on the operation and integration of Oracle infrastructure technologies to make them easier to deploy, extend, interconnect, manage and maintain for our customers and to improve computing performance relative to our competitors' offerings. For example, the Oracle Exadata Database Machine integrates multiple Oracle technology components to work together to deliver improved performance, availability, scalability, security and operational efficiency of Oracle Database workloads relative to our competitors' products.

Oracle Infrastructure Technologies – Cloud and License Business Offerings

Oracle infrastructure technologies are marketed, sold and delivered through our cloud and license business. Our infrastructure cloud services and license support revenues represented 59% of our total cloud services and license support revenues during fiscal 2021 and 60% in each of fiscal 2020 and 2019.

Oracle Cloud Infrastructure as a Service (IaaS)

Oracle Cloud IaaS is based upon Oracle's Next-Generation Cloud Infrastructure and is designed to deliver IaaS services including compute, storage and networking services, among others, as well as Oracle Autonomous Database that Oracle runs, manages, upgrades and supports on behalf of the customer for a fee for a stated time period, or for certain of our IaaS services, on a "pay-as-you-go" basis at a specified rate for services consumed. By utilizing Oracle Cloud IaaS, customers can leverage the Oracle Cloud for enterprise-grade, high performance, scalable, cost-effective and secure infrastructure technologies that are designed to be rapidly deployable and provide real-time elasticity while reducing the amount of time and resources normally consumed by IT processes within on-premise environments. Oracle's Next-Generation Cloud Infrastructure technology is designed to be differentiated from other cloud vendors to provide better security by separating cloud control code computers from customer data compute nodes. Customers use Oracle Cloud IaaS offerings to build and operate new cloud-native applications, to run new workloads and to move their existing Oracle or non-Oracle workloads to the Oracle

Cloud from their on-premise data centers or from other cloud-based IT environments, among other uses. We continue to invest in Oracle Cloud IaaS to improve features and performance; to expand the catalog of cloud-based infrastructure tools and services that we provide; to increase the capacity and geographic footprint to deliver these services; to simplify the processes for migrating workloads to the Oracle Cloud; and to provide customers with the ability to run workloads across different IT environments, the Oracle Cloud as well as other third-party clouds in a hybrid deployment model.

Oracle customers and partners utilize Oracle's open, standards-based IaaS offerings for platform-related services that are based upon the Oracle Database, Java and Oracle Middleware, including open source and other tools for a variety of use cases across data management (including the use of Oracle Autonomous Database), applications development, integration, content management, analytics, IT management and governance, security, and rapidly emerging technologies such as machine learning. Oracle Cloud IaaS machine learning features are designed to be embedded into customer applications for a variety of predictive use cases including, among others, the servicing of machine parts that are at risk of failing, the stocking of retailer store shelves, and the financial modeling to stay within a business' forecasts.

Oracle customers and partners also utilize Oracle Cloud IaaS for highly-scalable, available, and secure compute, storage and networking services. Our Oracle Cloud IaaS offerings' cloud-based compute services range from virtual machines to graphics processing unit-based offerings to bare metal servers and include options for dense I/O workloads and high performance computing. Oracle Cloud IaaS also includes a range of cloud-based storage offerings including block, object and archive storage services. In addition, Oracle Cloud IaaS offers networking, connectivity, and edge services that help connect customer data centers and third-party clouds, such as Microsoft Azure, with our Oracle Cloud IaaS offerings.

Oracle Cloud@Customer offerings are a direct response to restrictions imposed upon cloud-based IT environment adoption by businesses that operate within certain regulated industries, entities or jurisdictions and enable customer choice in deployment models. Oracle Cloud@Customer enables customers to run Oracle Autonomous Database or Oracle Database in their own data centers behind their firewalls while having the services managed by Oracle. Oracle Cloud@Customer offerings enable customers to take advantage of the agility, innovation and subscription-based pricing of Oracle Cloud Services while meeting data sovereignty, data residency, data protection and regulatory business policy requirements. Oracle Dedicated Region Cloud@Customer is designed to enable customers to bring a self-contained Oracle Cloud instance into their data centers while accessing a substantial portfolio of Oracle Cloud IaaS and SaaS offerings. Oracle Roving Edge Infrastructure offerings are designed to enable customers to access cloud computing and storage services at the edge of networks and in generally disconnected locations in order to accelerate deployment of cloud workloads outside of the data center.

Oracle Database Licenses

Oracle Database is the world's most popular enterprise database and is designed to enable reliable and secure storage, retrieval and manipulation of all forms of data. Oracle Database is licensed throughout the world by businesses and organizations of all sizes for a multitude of purposes, including, among others: for use within the Oracle Cloud to deliver our Oracle Cloud SaaS and IaaS offerings; for use as a cloud license by a number of cloud-based vendors within their respective cloud services offerings; for packaged and custom applications for transaction processing; and for data warehousing and business intelligence. Oracle Database may be deployed in various IT environments including Oracle Cloud, Oracle Cloud@Customer and Dedicated Region Cloud@Customer environments, other cloud-based IT environments, and on-premise data centers, among others. As described above, customers may elect to purchase license support for Oracle Database licenses. We also offer Oracle Database cloud services, such as Oracle Exadata Cloud Service and Oracle Database Service, as a part of our Oracle Cloud IaaS offerings.

Oracle Database Enterprise Edition is available with a number of optional add-on products to address specific customer requirements. In addition to the Oracle Database, we offer a portfolio of specialized database products to address specific customer requirements.

Oracle Autonomous Database

Oracle Autonomous Database offerings are designed to deliver performance and scale with automated database operations and policy-driven optimization by combining certain Oracle infrastructure technologies including the Oracle Database, Oracle's Next-Generation Cloud Infrastructure, Oracle Exadata, and native machine learning capabilities, among others. Oracle Autonomous Database offerings are designed to be self-driving, lower labor costs and reduce human error for routine database administration tasks including maintenance, tuning, patching, security and backup. Oracle Autonomous Database offerings use machine learning-driven diagnostics for fault prediction and error handling. We believe the Oracle Autonomous Database offerings deliver rapid insights and innovation by enabling organizations to quickly provision a data warehouse that automatically and elastically scales to handle very large data warehouses and support millions of transactions per second while enabling a flexible payment model for only the resources used. The integration of Oracle Autonomous Database with other Oracle Cloud Services, such as Java Cloud and Oracle APEX low-code service, and the open interfaces and integrations, provide developers with a modern, open platform to develop new and innovative applications.

Oracle Autonomous Database offerings include:

- Oracle Autonomous Data Warehouse (ADW), which is designed to provide customers with easy-to-use analytics tools in a fully managed, high-performance and elastic service optimized for data warehouse workloads. We believe that most businesses view data as a potentially high-value source that can be used to gain new insights into their customers' behaviors, to anticipate future demand more accurately, to align workforce deployment with business activity forecasts and to accelerate the pace of operations, among other benefits. ADW's self-patching and self-tuning capabilities are designed to enable upgrades while the database is running, thereby eliminating human error. Oracle ADW automates manual IT tasks such as deployment, storing, securing, scaling and backing-up data. In addition, the machine learning-based technology of ADW is designed to enable customers to deploy new, or move existing data marts and data warehouses to the cloud and includes a drag and drop interface that is designed to be highly intuitive; and
- Oracle Autonomous Transaction Processing (ATP), which is designed to enable organizations to safely run a complex mix of high-performance transactions, reporting and batch processing using instant, elastic compute and storage through an Oracle Database running on an Oracle Exadata cloud-based instance. Oracle ATP is designed to enable organizations to conduct real-time transactional data analysis for faster results and lower administration costs, and to eliminate cyber-attacks on unpatched or unencrypted databases. Oracle ATP is designed to be simple and agile to develop and deploy new applications because complex management and tuning is not required.

Oracle ADW and Oracle ATP offer the following options, among others:

- Shared Exadata Infrastructure, which is designed to be a simple and elastic deployment choice in which Oracle autonomously operates all aspects of the database lifecycle, including database placement, backup and software updates; and
- Dedicated Exadata Infrastructure, which is designed to provide the characteristics of a private cloud in a public cloud deployment, including dedicated compute, storage, network and database resources for a single tenant. Dedicated Exadata Infrastructure deployment is also designed to provide high levels of security isolation and governance with customizable operational policies for autonomous operations for workload placement, workload optimization, schedule updating, availability, over-provisioning and peak usage.

Oracle Middleware Licenses

We license our Oracle Middleware, which is a broad family of integrated application infrastructure software, for use in the Oracle Cloud, other cloud-based environments, on-premise data centers and related IT environments. Oracle Middleware is designed to enable customers to design and integrate Oracle and non-Oracle business applications, automate business processes, scale applications to meet customer demand, simplify security and

compliance, manage lifecycles of documents and get actionable, targeted business intelligence. Built with Oracle's Java technology platform, Oracle Middleware products are designed to be flexible across different deployment environments—cloud, on-premise or hybrid—as a foundation for custom, packaged and composite applications, thereby simplifying and reducing time to deployment. Oracle Middleware is designed to protect customers' IT investments and work with both Oracle and non-Oracle database, middleware and applications software through an open architecture and adherence to industry standards. In addition, Oracle Middleware supports multiple development languages and tools, which enables developers to flexibly build once and deploy applications globally across websites, portals and cloud-based applications utilizing a variety of IT environments.

Among our other middleware license offerings, we license a wide range of development tools, such as Oracle WebLogic Server for Java application development and Oracle Mobile Application Framework, which is designed to address the needs of businesses that are increasingly focused on delivering mobile device applications to their customers. Organizations may elect to purchase license support, as described above, for Oracle Middleware licenses at their option. We also offer certain of our middleware capabilities as a part of Oracle Cloud IaaS.

Java Licenses

Java is the world's most popular programming language that is used to deliver cloud development and deployment services, microservices, big data analytics, data management, social services, mobile services, chatbots, and continuous integration tools for numerous platforms and technologies including websites, enterprise and consumer applications, embedded devices and gaming. Java is designed to enable developers to write software on a single platform and run it on many other different platforms, independent of operating system and hardware architecture. Java has been adopted by both independent software vendors (ISVs) that have built their products using Java and by enterprise organizations building custom applications or consuming Java-based ISV products. Oracle is the steward of the Java platform and ecosystem. Customers generally purchase Java offerings through subscriptions that include license and support services. Oracle's Java offerings are used by customers to support their Java deployments and to stay current with the latest security updates and other technology innovations.

Oracle Infrastructure Technologies – Hardware Business Offerings

Oracle infrastructure technologies are also marketed, sold and delivered through our hardware business, including a broad selection of hardware products and related hardware support services for cloud-based IT environments, data centers and related IT environments.

Oracle Engineered Systems

Oracle Engineered Systems are core to our cloud-based and on-premise data center infrastructure offerings. Oracle Engineered Systems are pre-integrated products, combining multiple unique Oracle technology components, including database, storage, operating system, and management software with server, storage, networking hardware and other technologies. Oracle Engineered Systems are designed to work together to deliver improved performance, scalability, availability, security and operational efficiency relative to our competitors' products; to be upgraded effectively and efficiently in a non-disruptive manner; and to simplify maintenance cycles and improve security by providing a single solution for patching. For example, Oracle Exadata Database Machine is a computing platform that is optimized for running Oracle Database, achieving higher performance, scalability and availability at a lower cost by combining Oracle Database, storage and operating system software with Oracle server, storage and networking hardware. We offer certain of our Oracle Engineered Systems, including the Oracle Exadata Database Machine, among others, through flexible deployment options, including on-premise, Oracle Cloud IaaS, and as an Oracle Cloud@Customer offering.

Oracle Servers

We offer a wide range of Oracle server products that are designed for mission-critical enterprise environments and that are key components of our Oracle Engineered Systems and Oracle Cloud offerings. We have two families of server products: those based on the Oracle SPARC microprocessor, which are designed to be differentiated by their reliability, security and scalability specifically for UNIX environments; and those using x86 microprocessors. By offering a range of server sizes and microprocessors, customers are offered the flexibility to choose the types of

servers that they believe will be most appropriate and valuable for their particular IT environments. We believe the combination of Oracle server systems with Oracle software enhances our customers' ability to shift data and workloads between data center and cloud deployments based on an organization's business requirements.

Oracle Storage

Oracle storage products are engineered for the cloud and designed to securely store, manage, protect and archive customers' mission-critical data assets generated by any database or application. Oracle storage products combine flash, disk, tape and server technologies with optimized software and unique integrations with the Oracle Database offering greater performance and efficiency and lower total cost relative to our competitors' storage products. Certain of our storage products provide integration with Oracle Cloud Services for backup and archiving.

Oracle Industry-Specific Hardware Offerings

We offer hardware products and services designed for certain specific industries including, among others, our point-of-sale terminals and related hardware that are designed for managing businesses within the food and beverage, hotel and retail industries; and hardware products and services for communications networks including network signaling, policy control and subscriber data management solutions, and session border control technology.

Oracle Operating Systems, Virtualization, Management and Other Hardware-Related Software

We offer a portfolio of operating systems, including Oracle Linux and Oracle Solaris, virtualization software including Oracle Virtual Machine, and other hardware-related software. We also offer a range of management technologies and products, including Oracle Enterprise Manager and the Oracle Cloud Observability and Management Platform, designed to help customers efficiently operate complex IT environments, including both end users' and service providers' cloud environments.

Oracle Hardware Support

Oracle hardware support offerings provide customers with unspecified software updates for software components that are essential to the functionality of our hardware products such as for Oracle operating systems and firmware. These offerings can also include product repairs, maintenance services and technical support services. We continue to evolve hardware support processes that are intended to proactively identify and solve quality issues and to increase the amount of new and renewed hardware support contracts sold in connection with the sales of our hardware products. Hardware support contracts are generally priced as a percentage of the net hardware products fees.

Oracle Services

We offer services to help customers and partners maximize the performance of their investments in Oracle applications and infrastructure technologies. We believe that our services are differentiated based on our focus on Oracle technologies, extensive experience and broad sets of intellectual property and best practices. Our services offerings substantially include, among others:

- consulting services, which are designed to help our customers and global system integrator partners more successfully architect and deploy our cloud and license offerings, including IT strategy alignment, enterprise architecture planning and design, implementation, integration, application development, security assessments and ongoing software enhancements and upgrades. We utilize a global, blended delivery model to optimize value for our customers and partners, consisting of consultants from local geographies, industry specialists and consultants from our global delivery and solution centers; and
- advanced customer services, which are support services provided by Oracle to a customer on-site or remote to enable increased performance and higher availability of a customer's Oracle products and services.

Oracle Cloud Operations

Oracle Cloud Operations deliver our Oracle Cloud Services to customers through a secure, reliable, scalable, enterprise grade cloud infrastructure platform managed by Oracle employees within a global network of data centers, which we refer to as the Oracle Cloud. The Oracle Cloud enables secure and isolated cloud-based instances for each of our customers to access the functionality of Oracle Cloud Services via a broad spectrum of devices. Oracle Cloud Operations leverage automated software tools to enable the rapid delivery of the latest cloud technology capabilities to the Oracle Cloud as they become available, providing Oracle customers access to the latest Oracle releases generally on a quarterly cadence. We have invested in the expansion of the Oracle Cloud by increasing existing data center capacity and adding additional data centers in new geographic locations to meet current and expected customer demand. We expect this trend will continue.

Manufacturing

We rely on third-party manufacturing partners to produce the substantial majority of our hardware products that we market and sell to customers and utilize internally to deliver Oracle Cloud Services, and we distribute most of our hardware products from these partners' facilities. Our manufacturing processes are substantially based on standardization of components across product types and centralization of assembly and distribution centers. Production of our hardware products requires that we purchase materials, supplies, product subassemblies and full assemblies from a number of suppliers. For most of our hardware products, we have existing alternative sources of supply or such sources are readily available. However, we do rely on sole sources for certain hardware components. We monitor and evaluate potential risks of disruption within our supply chain operations. Refer to Risk Factors included in Item 1A within this Annual Report for additional discussion of the challenges we encounter with respect to the sources and availability of supplies for our hardware products and the related risks to our business.

Sales and Marketing

We directly market and sell our cloud, license, hardware, support and services offerings to businesses of many sizes and in many industries, government agencies and educational institutions. We also market and sell our offerings through indirect channels.

In the United States (U.S.), our sales and services employees are based in our headquarters and in field offices throughout the country. Outside the U.S., our international subsidiaries sell, support and service our offerings in their local countries as well as within other foreign countries where we do not operate through a direct sales subsidiary. Our geographic coverage allows us to draw on business and technical expertise from a global workforce, provides stability to our operations and revenue streams to offset geography specific economic trends, and offers us an opportunity to take advantage of new markets for our offerings. Our international operations subject us to certain risks, which are more fully described in Risk Factors included in Item 1A of this Annual Report. A summary of our domestic and international revenues and long-lived assets is set forth in Note 15 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

We also market our product offerings worldwide through indirect channels. The companies that comprise our indirect channel network are members of the Oracle Partner Network. The Oracle Partner Network is a global program that manages our business relationships with a large, broad-based network of companies, including cloud and license, hardware and services suppliers, system integrators and resellers that deliver innovative solutions and services based upon and in conjunction with our product offerings. By offering our partners access to our product offerings, educational information, technical services, marketing and sales support, the Oracle Partner Network program extends our market reach by providing our partners with the resources they need to be successful in delivering solutions to customers globally.

Research and Development

We develop the substantial majority of our products and services offerings internally utilizing the skills and diversity of a global workforce. In addition, we have extended our products and services offerings and intellectual property through acquisitions of businesses and technologies. We also purchase or license intellectual property rights in certain circumstances. Internal development allows us to maintain technical control over the design and

development of our products. We have a number of U.S. and foreign patents and pending applications that relate to various aspects of our products and technology. While we believe that our patents have value, no single patent is essential to us or to any of our principal businesses. Rapid technological advances in cloud, software and hardware development, evolving standards in computer hardware and software technology, changing customer needs and frequent new product introductions, offerings and enhancements characterize the markets in which we compete. We plan to continue to dedicate a significant amount of resources to research and development efforts to maintain and improve our current products and services offerings.

Human Capital Resources

At Oracle, our success is driven by the quality of our people, who we believe are among the best and brightest in the industry. We strive to create an environment that supports employee success and a culture where everyone has a voice in driving innovation.

Workforce

As of May 31, 2021, we employed approximately 132,000 full-time employees, of which approximately 45,000 were employed in the U.S. and approximately 87,000 were employed internationally. Our employee counts by lines of business are:

35,000	Sales and marketing	23,000	Services
19,000	Cloud services and license support operations	40,000	Research and development
3,000	Hardware	12,000	General and administrative

None of our employees in the U.S. is represented by a labor union; however, in certain foreign subsidiaries, labor unions or workers' councils represent some of our employees.

Diversity and Inclusion

We believe that innovation starts with inclusion. We endeavor to hire employees from a broad pool of talent with diverse backgrounds, perspectives and abilities and we believe Oracle's diverse leaders serve as role models for our inclusive workforce. We seek to continuously build on our inclusive hiring strategies, tracking our progress and holding ourselves accountable for greater diversity at Oracle. Our programs are supported by Oracle leaders across the company with strategic sponsorship from Oracle's Executive Diversity Council, which is led by Safra Catz, our Chief Executive Officer, and extend through the actions we are taking globally on Oracle's five Diversity and Inclusion (D&I) Imperatives:

- driving insight and accountability with data;
- recruiting with an intention on diversity;
- embedding inclusion into talent development;
- inspiring an inclusive culture through community; and
- investing in the future diversity of our industry.

In addition to global, regional and local programs, Oracle Human Resources partners with business leaders to create and implement D&I plans to embed targeted strategies into organizations across Oracle. Employee satisfaction on the importance of D&I at Oracle and their manager's encouragement of diverse ideas and perspectives ranks high in our employee engagement surveys.

Leaders Who Listen

We believe that an important aspect of creating a culture and environment that supports employee and business success is listening to employee feedback. We share the results of our annual employee engagement survey with leaders who receive direct observations from employees about areas critical to Oracle's strategic priorities, including the employee and customer experience. Nearly 80% of our employees participate in the annual survey.

Leaders listen to employees, evaluate feedback and prioritize actions to enhance employee, business and customer success.

Flexible Work Options

The COVID-19 pandemic changed the way both leaders and employees think about where and how they work. For the vast majority of Oracle’s employees, productivity is no longer tied to being in an office and collaboration can happen between people anywhere. In fiscal 2021 we announced a modern approach to work that gives our employees more flexibility to choose where and how to work. Depending on their role, this means that when our offices reopen after the pandemic, many employees can choose their office location, as well as continue to work from home some or all the time. We expect this modern approach to work will help us engage with a wider pool of talent and retain employees who want or need more flexibility.

Tenure

We monitor employee turnover rates as our success depends upon retaining top talent. During the COVID-19 pandemic, we observed decreased turnover in the short term and we believe that in the long term, we have an opportunity to continue to reduce undesirable turnover by offering competitive rewards, flexible work options, career growth and development opportunities. The average tenure of our employees is approximately eight years and 29% of our employees have been employed with Oracle for ten or more years.

Opportunities to Learn and Grow

We believe that a primary reason candidates join Oracle is for career development opportunities. We have programs and resources to help our employees explore, build and achieve their career goals. We also promote regular career conversations between leaders and employees. These are separate from performance feedback conversations and are focused on helping employees identify and take steps to grow their careers. Our Talent Review process, run on Oracle Fusion Cloud HCM, provides the mechanism for leaders to review and discuss opportunities and action plans to develop employees. 31% of our open non-entry level positions were filled internally in fiscal 2021, providing growth opportunities and retaining critical knowledge and talent.

Helping our employees learn and apply new skills is key to retaining them and critical to our ability to innovate and rapidly evolve. We support employees with anytime, everywhere learning resources to help build skills for today and the future. Oracle employees received four million hours of training in fiscal 2021 and accessed online learning content at an average rate of more than two million views per month. When the COVID-19 pandemic hit, we implemented a global work from home program and immediately pivoted to enable employees to continue learning from home. We moved in-person learning and development to online and our employees took advantage of the rich content available to help them enhance their skills. In addition to online classes and learning resources on business and technical skills, we also added more webinars and learning opportunities to support employee and family well-being.

Making a Difference

Many of our employees participate in Oracle’s corporate citizenship initiatives focused on education, the environment and community. Each year, through our volunteering and giving programs, employees donate tens of thousands of volunteer hours and millions of dollars (matched by Oracle) to causes ranging from equality and racial justice, to cleaning up oceans and mentoring students, to sharing their time and resources with people in need.

Seasonality and Cyclicity

Our quarterly revenues have historically been affected by a variety of seasonal factors, including the structure of our sales force incentive compensation plans, which are common in the IT industry. In each fiscal year, our total revenues and operating margins are typically highest in our fourth fiscal quarter and lowest in our first fiscal quarter. The operating margins of our businesses (in particular, our cloud and license business and hardware business) are generally affected by seasonal factors in a similar manner as our revenues because certain expenses within our cost structure are relatively fixed in the short term. See “Cloud and License Business” in Item 7 of this

Annual Report for more information regarding the seasonality and cyclicity of our revenues, expenses and margins.

Competition

We face intense competition in all aspects of our business. The nature of the IT industry creates a competitive landscape that is constantly evolving as firms emerge, expand or are acquired, as technology evolves and as customer demands and competitive pressures otherwise change.

Our customers are demanding less complexity and lower total cost in the implementation, sourcing, integration and ongoing maintenance of their IT environments. Our enterprise cloud, license and hardware offerings compete directly with certain offerings from some of the largest and most competitive companies in the world, including Amazon.com, Inc., Microsoft Corporation, International Business Machines Corporation (IBM), Intel Corporation, Cisco Systems, Inc., Adobe Systems Incorporated, Alphabet Inc. and SAP SE, as well as other companies like Hewlett-Packard Enterprise, salesforce.com, inc. and Workday, Inc. In addition, due to the low barriers to entry in many of our market segments, new technologies and new and growing competitors frequently emerge to challenge our offerings. Our competitors range from companies offering broad IT solutions across many of our lines of business to vendors providing point solutions, or offerings focused on a specific functionality, product area or industry. In addition, as we expand into new market segments, we face increased competition as we compete with existing competitors, as well as firms that may be partners in other areas of our business and other firms with whom we have not previously competed. Moreover, we or our competitors may take certain strategic actions—including acquisitions, partnerships and joint ventures, or repositioning of product lines—which invite even greater competition in one or more product offering categories.

Key competitive factors in each of the segments in which we currently compete and may compete in the future include: total cost of ownership, performance, scalability, reliability, security, functionality, efficiency, ease of use, speed to production and quality of technical support. Our products and services sales and the relative strength of our products and services versus those of our competitors are also directly and indirectly affected by the following, among other factors:

- market adoption of cloud-based IT offerings including SaaS and IaaS offerings;
- the ease of deployment, use, transacting for and maintenance of our products and services offerings;
- compatibility between Oracle products and services deployed within local IT environments and public cloud IT environments, including our Oracle Cloud environments;
- the adoption of commodity servers and microprocessors;
- the broader “platform” competition between our industry standard Java technology platform and the .NET programming environment of Microsoft;
- operating system competition among our Oracle Solaris and Linux operating systems, with alternatives including Microsoft’s Windows Server, and other UNIX and Linux operating systems;
- the adoption of open source alternatives to commercial software by enterprise software customers;
- products, features and functionality developed internally by customers and their IT staff;
- products, features and functionality customized and implemented for customers by consultants, systems integrators or other third parties; and
- the attractiveness of offerings from business processing outsourcers.

For more information about the competitive risks we face, refer to Item 1A Risk Factors included elsewhere in this Annual Report.

Governmental Regulation

We operate globally and are subject to numerous U.S. federal, state, and foreign laws and regulations covering a wide variety of subject matters. For information about governmental regulations applicable to our business, refer to Item 1A Risk Factors and Note 17 of Notes to Consolidated Financial Statements, both included elsewhere in this Annual Report.

Available Information

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed pursuant to Sections 13(a) and 15(d) of the Exchange Act are available, free of charge, on the SEC website at www.sec.gov and our Investor Relations website at www.oracle.com/investor as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. We use our Investor Relations website as a means of disclosing material non-public information. Accordingly, investors should monitor our Investor Relations website, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, information regarding our environmental policy and global sustainability initiatives and solutions are also available on our website at www.oracle.com/corporate/citizenship. The information posted on or accessible through our website is not incorporated into this Annual Report. The references to our websites are intended to be inactive textual references only.

Information About Our Executive Officers

Our executive officers are listed below.

Name	Office(s)
Lawrence J. Ellison	Chairman of the Board of Directors and Chief Technology Officer
Safra A. Catz	Chief Executive Officer and Director
Jeffrey O. Henley	Vice Chairman of the Board of Directors
Edward Screven	Executive Vice President, Chief Corporate Architect
Dorian E. Daley	Executive Vice President and General Counsel
William Corey West	Executive Vice President, Chief Accounting Officer

Mr. Ellison, 76, has been our Chairman of the Board and Chief Technology Officer since September 2014. He served as our Chief Executive Officer from June 1977, when he founded Oracle, until September 2014. He has served as a Director since June 1977. He previously served as our Chairman of the Board from May 1995 to January 2004. He currently serves as a director of Tesla, Inc.

Ms. Catz, 59, has been our Chief Executive Officer since September 2014. She served as our President from January 2004 to September 2014, our Chief Financial Officer most recently from April 2011 until September 2014 and a Director since October 2001. She was previously our Chief Financial Officer from November 2005 until September 2008 and our Interim Chief Financial Officer from April 2005 until July 2005. Prior to being named our President, she held various other positions with us since joining Oracle in 1999. She currently serves as a director of The Walt Disney Company. She also serves on the U.S. National Security Commission on Artificial Intelligence.

Mr. Henley, 76, has served as our Vice Chairman of the Board since September 2014. He previously served as our Chairman of the Board from January 2004 to September 2014 and has served as a Director since June 1995. He served as our Executive Vice President and Chief Financial Officer from March 1991 to July 2004.

Mr. Screven, 56, has been Executive Vice President, Chief Corporate Architect since May 2015. He served as our Senior Vice President, Chief Corporate Architect from November 2006 to April 2015 and as Vice President, Chief Corporate Architect from January 2003 to November 2006. He held various other positions with us since joining Oracle in 1986.

Ms. Daley, 62, has been our Executive Vice President and General Counsel since April 2015. She served as our Secretary from October 2007 until October 2017 and she was our Senior Vice President, General Counsel from October 2007 to April 2015. She served as our Vice President, Legal, Associate General Counsel and Assistant Secretary from June 2004 to October 2007, as Associate General Counsel and Assistant Secretary from October 2001 to June 2004 and as Associate General Counsel from February 2001 to October 2001. She held various other positions with us since joining Oracle's Legal Department in 1992.

Mr. West, 59, has been our Executive Vice President, Chief Accounting Officer since April 2015. He served as our Senior Vice President, Corporate Controller and Chief Accounting Officer from February 2008 to April 2015 and served as our Vice President, Corporate Controller and Chief Accounting Officer from April 2007 to February 2008. His previous experience includes 14 years with Arthur Andersen LLP, most recently as a partner.

Item 1A. Risk Factors

We operate in rapidly changing economic and technological environments that present numerous risks, many of which are driven by factors that we cannot control or predict. The following discussion, as well as our “Critical Accounting Policies and Estimates” discussion in Item 7 Management’s Discussion and Analysis of Financial Condition and Results of Operations, highlights some of these risks. The risks described below are not exhaustive and you should carefully consider these risks and uncertainties before investing in our securities.

Business and Operational Risks

The COVID-19 pandemic has affected how we and our customers are operating our respective businesses, and the duration and extent to which this will impact our future results of operations remains uncertain. The COVID-19 pandemic and efforts to control its spread have materially affected how we, our customers, partners and suppliers are operating our businesses. Our operations have been negatively affected by a range of external factors related to the COVID-19 pandemic that are not within our control. For example, the COVID-19 pandemic has led governments to implement preventative measures to contain or control further spread of the virus, such as travel restrictions, prohibitions of non-essential activities, quarantines, work-from-home directives and shelter-in-place orders. These preventative measures led to sharp reductions in demand in certain industries in which our customers operate. It is not clear what long-term effects the COVID-19 pandemic will have on our business, including the effects on our customers and prospects. If we are not able to respond to and manage the impact of the COVID-19 pandemic effectively, our business will be harmed.

During fiscal 2021, we cancelled some customer events and transformed others, including Oracle OpenWorld, to virtual events. Our shift to creating virtual customer events may not be successful and we may not be able to showcase our products as well as we have historically done through in-person events, or generate the same customer interest, opportunities and leads through these virtual events. If we attempt to reintroduce large in-person events, we may not be able to do so successfully and our customers may not be able or willing to attend them.

The conditions caused by the COVID-19 pandemic initially adversely affected our customers’ willingness to purchase our products, delayed prospective customers’ purchasing decisions and in certain cases, resulted in delayed payments by existing customers. There have also been, and likely will continue to be, delays in our supply chain. The negative impacts of the global COVID-19 pandemic on the broader global economy and related impacts on our customers’ business operations and their demand for our products may continue into future fiscal periods. The COVID-19 pandemic may also heighten other risks described in this Risk Factors section.

Our success depends upon our ability to develop new products and services, integrate acquired products and services and enhance our existing products and services. Rapid technological advances, intense competition, changing delivery models and evolving standards in computer hardware and software development and communications infrastructure, changing and increasingly sophisticated customer needs and frequent new product introductions and enhancements characterize the industries in which we compete. If we are unable to develop new or sufficiently differentiated products and services, enhance and improve our product offerings and support services in a timely manner or position and price our products and services to meet demand, customers may not purchase or subscribe to our license, hardware or cloud offerings or renew license support, hardware support or cloud subscriptions contracts. Renewals of these contracts are important to the growth of our business. In addition, we cannot provide any assurance that the standards on which we choose to develop new products will allow us to compete effectively for business opportunities in emerging areas.

We have continued to refresh and release new offerings of our cloud products and services. Machine learning and artificial intelligence are increasingly driving innovations in technology but if they fail to operate as anticipated or our other products do not perform as promised, our business and reputation may be harmed.

In addition, our business may be adversely affected if:

- we do not continue to develop and release new or enhanced products and services within the anticipated time frames;

- infrastructure costs to deliver new or enhanced products and services take longer or result in greater costs than anticipated;
- we are unable to increase our existing data center capacity or establish data centers in new geographic locations in a timely manner to meet current or expected customer demand;
- there is a delay in market acceptance of and difficulty in transitioning new and existing customers to new, enhanced or acquired product lines or services;
- there are changes in information technology (IT) trends that we do not adequately anticipate or address with our product development efforts;
- we do not optimize complementary product lines and services in a timely manner; or
- we fail to adequately integrate, support or enhance acquired product lines or services.

Our Oracle Cloud strategy, including our Oracle Cloud Software-as-a-Service and Infrastructure-as-a-Service (SaaS and IaaS, respectively, and collectively, Oracle Cloud Services) offerings, may adversely affect our revenues and profitability. We provide our cloud and other offerings to customers worldwide via deployment models that best suit their needs, including via our cloud-based SaaS and IaaS offerings. As these business models continue to evolve, we may not be able to compete effectively, generate significant revenues or maintain the profitability of our cloud offerings. Additionally, the increasing prevalence of cloud and SaaS delivery models offered by us and our competitors may unfavorably impact the pricing of our cloud and license offerings. If we do not successfully execute our cloud computing strategy or anticipate the cloud computing needs of our customers, our reputation as a cloud services provider could be harmed and our revenues and profitability could decline.

As customer demand for our cloud offerings increases, we experience volatility in our reported revenues and operating results due to the differences in timing of revenue recognition between our cloud license and on-premise license, and hardware product arrangements relative to our cloud offering arrangements. Customers generally purchase our cloud offerings on a subscription basis and revenues from these offerings are generally recognized ratably over the terms of the subscriptions. Consequently, any deterioration in sales activity associated with our cloud offerings may not be immediately observable in our consolidated statement of operations. This is in contrast to revenues associated with our license and hardware product arrangements, which are generally recognized in full at the time of delivery of the related licenses and hardware products. In addition, we may not be able to accurately anticipate customer transition from or be able to sufficiently backfill reduced customer demand for our license, hardware and support offerings relative to the expected increase in customer adoption of and demand for our Oracle Cloud Services, which could adversely affect our revenues and profitability.

We might experience significant coding, manufacturing or configuration errors in our cloud, license and hardware offerings. Despite testing prior to the release and throughout the lifecycle of a product or service, our cloud, license and hardware offerings sometimes contain coding, manufacturing or configuration errors that can impact their function, performance and security, and result in other negative consequences. The detection and correction of any errors in released cloud, license or hardware offerings can be time consuming and costly. Errors in our cloud, license or hardware offerings could affect their ability to properly function, integrate or operate with other cloud, license or hardware offerings, could result in service interruptions, delays or outages of our cloud offerings, could create security vulnerabilities in our products or services, could delay the development or release of new products or services or new versions of products or services, and could adversely affect market acceptance of our products or services. This includes third-party software products or services incorporated into our own. If we experience any of these errors, or if there are delays in releasing our cloud, license or hardware offerings or new versions of these offerings, our sales could be affected and revenues could decline. In addition, we run Oracle's business operations as well as cloud and other services that we offer to our customers on our products and networks. Therefore, any flaws could affect our and our customers' abilities to conduct business operations and to ensure accuracy in financial processes and reporting, and may result in unanticipated costs. Enterprise customers rely on our cloud, license and hardware offerings and related services to run their businesses and errors in our cloud, license and hardware offerings and related services could expose us to product liability, performance and warranty claims as well as significant harm to our brand and reputation, which could impact our future sales.

If we are unable to compete effectively, the results of operations and prospects for our business could be harmed. We face intense competition in all aspects of our business. The nature of the IT industry creates a competitive landscape that is constantly evolving as firms emerge, expand or are acquired, as technology evolves and as delivery models change. Many vendors spend amounts in excess of what Oracle spends to develop and market applications and infrastructure technologies including databases, middleware products, application development tools, business applications, collaboration products and business intelligence, compute, storage and networking products, among others, which compete with Oracle applications and infrastructure offerings. Use of our competitors' technologies influences a customer's purchasing decision or creates an environment that makes it less efficient to utilize or migrate to Oracle products and services. Our competitors may also adopt business practices that provide customers access to competing products and services at a risk profile that we may not generally find acceptable, which may convince customers to purchase competitor products and services. We could lose customers if our competitors introduce new competitive products, add new functionality, acquire competitive products, reduce prices, better execute on their sales and marketing strategies, offer more flexible business practices or form strategic alliances with other companies. Mergers, consolidations or alliances among our competitors, or acquisitions of our competitors by large companies, may result in increased competition. We may also face increasing competition from open source software initiatives in which competitors may provide software and intellectual property for free. Existing or new competitors could gain sales opportunities or customers at our expense.

We may need to change our pricing models to compete successfully. The intense competition we face in the sales of our products and services and general economic and business conditions could put pressure on us to change our prices. If our competitors offer deep discounts on certain products or services or develop products that the marketplace considers more valuable, we may need to lower prices, introduce pricing models and offerings that are less favorable to us, or offer other favorable terms in order to compete successfully. Any such changes may reduce revenues and margins and could adversely affect operating results. Additionally, the increasing prevalence of cloud delivery models offered by us and our competitors may unfavorably impact the pricing of our other cloud and license, hardware and services offerings, and we may also incur increased cloud delivery expenses as we expand our cloud operations and update our infrastructure, all of which could reduce our revenues and/or profitability. Our license support fees and hardware support fees are generally priced as a percentage of our net license fees and net new hardware products fees, respectively. Our competitors may offer lower pricing on their support offerings, which could put pressure on us to further discount our offerings.

Changes to our prices and pricing policies could cause our revenues to decline or be delayed as our sales force implements and our customers adjust to the new pricing policies. Some of our competitors may bundle products for promotional purposes or as a long-term pricing strategy, commit to large customer deployments at prices that are unprofitable, or provide guarantees of prices and product implementations. These practices could, over time, significantly constrain the prices that we can charge for certain of our products. If we do not adapt our pricing models to reflect changes in customer use of our products or changes in customer demand, our revenues could decrease. The increase in open source software distribution may also cause us to change our pricing models.

Any failure to offer high-quality technical support services may adversely affect our relationships with our customers and our financial results. Our customers depend on our support organization to resolve technical issues relating to our applications and infrastructure offerings. We may be unable to respond quickly enough to accommodate short-term increases in customer demand for support services or may be inefficient in our resolution of customer support issues. Increased customer demand for these services, without corresponding revenues, could increase costs and adversely affect our operating results. Any failure to maintain high-quality technical support, or a market perception that we do not maintain high-quality technical support, could adversely affect our reputation, our ability to sell and renew our applications and infrastructure offerings to existing and prospective customers, and our business, operating results, and financial position.

Our cloud offerings and hardware offerings are complex, and if we cannot successfully manage this complexity, the results of these businesses will suffer. We depend on suppliers to develop, manufacture and deliver on a timely basis the necessary technologies and components for our hardware products that we market and sell to our customers and that we use as a part of our cloud infrastructure to deliver our cloud offerings, and there are some technologies and components that can only be purchased from a single vendor due to price, quality, technology,

availability or other business constraints. As a result, our supply chain operations could be disrupted or negatively impacted by industry consolidation and component constraints or shortages, natural disasters, political unrest, public health crises such as the COVID-19 pandemic, changes to trade policies, port stoppages or other transportation disruptions or slowdowns, or other factors affecting the countries or regions where these single source component vendors are located or where the products are being shipped. We may be unable to purchase these items from the respective single vendors on acceptable terms or may experience significant shortages, delays or quality issues in the delivery of necessary technologies, parts or components from a particular vendor. If one or more of the risks described above occurs, our cloud and license business and hardware business and related operating results could be materially and adversely affected.

We are susceptible to third-party manufacturing and logistics delays, which could result in the loss of sales and customers. We outsource a significant majority of our manufacturing, assembly, delivery and technology of, and certain component designs for, our hardware products to a variety of companies, many of which are located outside the U.S. From time to time, these partners experience production problems or delays or cannot meet our demand for products. To reduce this risk, we continue to explore additional third-party manufacturing partners to drive supply chain continuity, but finding additional manufacturing sources in a timely and cost-effective manner is difficult. Third-party manufacturing and logistics delays attributable to the effects of COVID-19 caused a loss of sales during our fiscal 2021. Ongoing or future delays in manufacturing could cause the loss of additional sales, delayed revenue recognition or an increase in our hardware products expenses, all of which could adversely affect the margins of our cloud and license business and hardware business. These challenges could arise if we alter our manufacturing strategies, suppliers, or locations.

Our hardware revenues and profitability have declined and could continue to decline. Our hardware business may adversely affect our total revenues and overall profitability and related growth rates. We may not achieve our estimated revenue, profit or other financial projections with respect to our hardware business in a timely manner or at all due to a number of factors, including:

- changes in our hardware offerings, technologies and strategies, including shifting factory locations, which could adversely affect supply and demand for our hardware products;
- our hardware business has higher expenses as a percentage of revenues, and thus has been less profitable, than our cloud and license business;
- our focus on certain of our more profitable Oracle Engineered Systems and certain other hardware products we consider strategic and the de-emphasis of certain of our lower profit margin commodity hardware products, which could adversely affect our hardware revenues;
- changes in strategies and frequency for the development and introduction of new versions or next generations of our hardware products that could adversely affect our hardware revenues;
- general supply chain material shortages worldwide, which were further exacerbated globally as a result of the COVID-19 pandemic;
- a greater risk of material charges that could adversely affect our operating results, such as potential write-downs and impairments of our inventories; higher warranty expenses than what we experience in our cloud and license and services businesses; and amortization and potential impairment of intangible assets associated with our hardware business; and
- decreased customer demand for related hardware support as hardware products approach the end of their useful lives, which could adversely affect our hardware revenues.

Our periodic workforce restructurings and reorganizations can be disruptive. We are currently restructuring our workforce and in the past we have restructured or made other adjustments to our workforce in response to management changes, product changes, performance issues, change in strategies, acquisitions and other internal and external considerations. These types of restructurings have resulted in increased restructuring costs and temporary reduced productivity while the employees adjusted to their new roles and responsibilities. In addition, we may not achieve or sustain the expected growth, resource redeployment or cost savings benefits of these

restructurings, or may not do so within the expected timeframe. These effects could recur in connection with future acquisitions and other restructurings and our revenues and other results of operations could be negatively affected.

We may lose key employees or may be unable to hire enough qualified employees. We rely on hiring qualified employees and the continued service of our senior management, including our Chairman of the Board of Directors, Chief Technology Officer and founder; our Chief Executive Officer; other members of our executive team; and other key employees. In the technology industry, there is substantial and continuous competition for highly skilled business, product development, technical and other personnel. In response to the COVID-19 pandemic and to ensure the safety of our employees, we have temporarily closed the majority of our offices. In fiscal 2021, we moved our headquarters to Austin, Texas and announced a modern approach to work that may provide our employees more flexibility to choose where and how to work. Depending on their role, this means that, when our offices reopen after the COVID-19 pandemic, many employees can choose their office location, as well as continue to work from home some or all the time. While we believe this may help us engage with a wider pool of talent and may help to retain employees who want or need more flexibility, it could negatively impact employee productivity and it may present risks for our real estate portfolio and strategy. We intend to reopen our offices when it is safe to do so and local requirements allow, but our employees who opt to return to the office may nevertheless be exposed to health risks, which may expose us to potential liability.

We may also experience increased compensation costs that are not offset by either improved productivity or higher sales. We may not be successful in recruiting new personnel and in retaining and motivating existing personnel. With rare exceptions, we do not have long-term employment or non-competition agreements with our employees. Members of our senior management team have left Oracle over the years for a variety of reasons, and we cannot guarantee that there will not be additional departures, which may be disruptive to our operations.

We continually focus on improving our cost structure by hiring personnel in countries where advanced technical expertise and other expertise are available at lower costs. When we make adjustments to our workforce, we may incur expenses associated with workforce reductions that delay the benefit of a more efficient workforce structure. We may also experience increased competition for employees in these countries as the trend toward globalization continues, which may affect our employee retention efforts and increase our expenses in an effort to offer a competitive compensation program. In addition, changes to immigration and labor law policies may adversely impact our access to technical and professional talent.

Our general compensation program includes restricted stock units and performance-based equity, which are important tools in attracting and retaining employees in our industry. If our stock price performs poorly, it may adversely affect our ability to retain or attract employees. We continually evaluate our compensation practices and consider changes from time to time, such as reducing the number of employees granted equity awards or the number of equity awards granted per employee and granting alternative forms of stock-based compensation, which may have an impact on our ability to retain employees and the amount of stock-based compensation expense that we record. Any changes in our compensation practices or those of our competitors could affect our ability to retain and motivate existing personnel and recruit new personnel.

Our cloud and license, and hardware indirect sales channels could affect our future operating results. Our cloud and license, and hardware indirect channel network is comprised primarily of resellers, system integrators/implementers, consultants, education providers, internet service providers, network integrators and independent software vendors. Our relationships with these channel participants are important elements of our cloud, software and hardware marketing and sales efforts. Our financial results could be adversely affected if our contracts with channel participants were terminated, if our relationships with channel participants were to deteriorate, if any of our competitors enter into strategic relationships with or acquire a significant channel participant, if the financial condition or operations of our channel participants were to weaken or if the level of demand for our channel participants' products and services were to decrease. There can be no assurance that we will be successful in maintaining, expanding or developing our relationships with channel participants. If we are not successful, we may lose sales opportunities, customers and revenues.

Acquisitions present many risks and we may not achieve the financial and strategic goals that were contemplated at the time of a transaction. We continue to review and consider strategic acquisitions of companies, products, services and technologies. We have a selective and active acquisition program and we expect to continue to make acquisitions in the future because acquisitions have been an important element of our overall corporate strategy. Risks we may face in connection with our acquisition program include:

- our ongoing business may be disrupted and our management's attention may be diverted by acquisition, transition or integration activities;
- we may have difficulties (1) managing an acquired company's technologies or lines of business; (2) entering new markets where we have no, or limited, direct prior experience or where competitors may have stronger market positions; or (3) retaining key personnel from the acquired companies;
- an acquisition may not further our business strategy as we expected, we may not integrate an acquired company or technology as successfully as we expected, we may impose our business practices or alter go-to-market strategies that adversely impact the acquired business or we may overpay for, or otherwise not realize the expected return on our investments, each or all of which could adversely affect our business or operating results and potentially cause impairment to assets that we recorded as a part of an acquisition including intangible assets and goodwill;
- our operating results or financial condition may be adversely impacted by (1) claims or liabilities that we assume from an acquired company or technology or that are otherwise related to an acquisition; (2) pre-existing contractual relationships that we assume from an acquired company, the termination or modification of which may be costly or disruptive to our business; and (3) unfavorable revenue recognition or other accounting treatment as a result of an acquired company's business practices;
- we may fail to identify or assess the magnitude of certain liabilities, shortcomings or other circumstances prior to acquiring a company or technology;
- we may not realize any anticipated increase in our revenues from an acquisition for a number of reasons, including (1) if a larger than predicted number of customers decline to renew their contracts with the acquired company; (2) if we are unable to sell the acquired products or service offerings to our customer base; (3) if acquired customers do not elect to purchase our technologies due to differing business practices; or (4) if contract models utilized by an acquired company do not allow us to recognize revenues in a manner that is consistent with our current accounting practices;
- we may have difficulty integrating acquired technologies, products, services and their related supply chain operations with our existing lines of business and related infrastructures;
- we may have multiple product lines or services offerings as a result of our acquisitions that are offered, priced, delivered and supported differently, which could cause customer confusion and delays;
- we may incur higher than anticipated costs (1) to support, develop and deliver acquired products or services; (2) for general and administrative functions that support new business models; or (3) to comply with regulations applicable to an acquired business that are more complicated than we had anticipated;
- we may be unable to obtain timely approvals from, or may otherwise have certain limitations, restrictions, penalties or other sanctions imposed on us by worker councils or similar bodies under applicable employment laws as a result of an acquisition;
- we may be unable to obtain required approvals from governmental authorities under competition and antitrust laws on a timely basis, if at all;
- our use of cash to pay for acquisitions may limit other potential uses of our cash;
- we may significantly increase our interest expense, leverage and debt service requirements if we incur additional debt to pay for an acquisition and we may have to delay or not proceed with a substantial

acquisition if we cannot obtain the necessary funding to complete the acquisition in a timely manner or on favorable terms; and

- we may experience additional or unexpected changes in how we are required to account for our acquisitions pursuant to U.S. generally accepted accounting principles, including arrangements that we may assume in an acquisition.

The occurrence of any of these risks could have a material adverse effect on our business, results of operations, financial condition or cash flows, particularly in the case of a larger acquisition or several concurrent acquisitions.

Data Privacy, Security and Intellectual Property Risks

If our security measures for our products and services are compromised and as a result, our data, our customers' data or our IT systems are accessed improperly, made unavailable, or improperly modified, our products and services may be perceived as vulnerable, our brand and reputation could be damaged, the IT services we provide to our customers could be disrupted, and customers may stop using our products and services, any of which could reduce our revenue and earnings, increase our expenses and expose us to legal claims and regulatory actions. Our products and services, including Oracle Cloud Services, store, retrieve, manipulate and manage third-party data, such as our customers' information and data, as well as our own data. We have a reputation for secure and reliable product offerings and related services, and we have invested a great deal of time and resources in protecting the integrity and security of our products, services and the internal and external data that we manage. Nonetheless, we believe that Oracle in particular is an attractive target for computer hackers and other bad actors because Oracle stores and processes large amounts of data, including in customer sectors involving particularly sensitive data such as health sciences, financial services, retail, hospitality and the government. We and our third-party vendors are regularly subject to attempts by third parties (which may include individuals or groups of hackers and sophisticated organizations, such as state-sponsored organizations, nation states and individuals sponsored by them) to identify and exploit product and service vulnerabilities, penetrate or bypass our security measures, and gain unauthorized access to our or our customers', partners' and suppliers' software, hardware and cloud offerings, networks and systems. Successful attempts by one of these malicious actors can lead to the compromise of personal information or the confidential information or data of Oracle or our customers. Attempts of this nature typically involve IT-related viruses, worms, and other malicious software programs that attack networks, systems, products and services, exploit potential security vulnerabilities of networks, systems, products and services, create system disruptions and cause shutdowns or denials of service. Third parties may attempt to fraudulently induce customers, partners, employees or suppliers into disclosing sensitive information such as user names, passwords or other information in order to gain access to our data, our customers', suppliers' or partners' data or the IT systems of Oracle, our customers, suppliers or partners. Our products and services, including our Oracle Cloud Services, may also be accessed or modified improperly as a result of customer, partner, employee, contractor or supplier error or malfeasance.

If a cyber-attack or other security incident results in unauthorized access to or modification of our customers' or suppliers' data, other external data, our own data or our IT systems, or if the services we provide to our customers are disrupted, or if our products or services are reported to have or are perceived as having security vulnerabilities, we could incur significant expenses and suffer significant damage to our brand and reputation. If our customers lose confidence in the security and reliability of our products and services, including our cloud offerings, and perceive them to not be secure, they may decide to reduce or terminate their spend with us. In addition, cyber-attacks and other security incidents could lead to significant investigation and remediation costs, loss or destruction of information, interruption of our operations, inappropriate use of proprietary and sensitive data, lawsuits, indemnity obligations, regulatory investigations and financial penalties, and claims and increased legal liability, including in some cases contractual costs related to customer notification and fraud monitoring. Our remediation efforts may not be successful. Because the techniques used to obtain unauthorized access to, or sabotage IT systems, change frequently, grow more complex over time, and often are not recognized until launched against a target, we may be unable to anticipate or implement adequate measures to prevent such techniques. Our internal IT systems continue to evolve and we are often early adopters of new technologies. However, our business policies and internal security controls may not keep pace with these changes as new threats

emerge. In addition, we often experience increased activity of this nature during times of instability, including during the current COVID-19 pandemic when most of our employees are working from home, and our operations may be more susceptible to malfeasance due to operational changes instituted to comply with safety, health and regulatory requirements, among others. We may not discover any security breach and loss of information for a significant period of time after the security breach.

Our products operate in conjunction with and are dependent on a wide variety of third-party products, components and services. If there is a security vulnerability in one of these components, and if there is a security exploit targeting it, we could face increased costs, liability claims, customer dissatisfaction, reduced revenue, or harm to our reputation or competitive position. We also have an active acquisition program and have acquired a number of companies, products, services and technologies over the years. While we make significant efforts to address any IT security issues with respect to our acquired companies, we may still inherit such risks when we integrate these companies within Oracle.

Our business practices with respect to data could give rise to operational interruption, liabilities or reputational harm as a result of governmental regulation, legal requirements or industry standards relating to privacy and data protection. As regulatory focus on privacy issues continues to increase and worldwide laws and regulations concerning the handling of personal information expand and become more complex, potential risks related to data collection and use within our business will intensify. In addition, U.S. and foreign governments have enacted or are considering enacting legislation or regulations, or may in the near future interpret existing legislation or regulations, in a manner that could significantly impact our ability, as well as the ability of our customers, partners and data providers, to collect, augment, analyze, use, transfer and share personal and other information that is integral to certain services we provide.

In the wake of the European Union (EU) General Data Protection Regulation (GDPR), the rate of global consideration and adoption of privacy laws has increased, giving rise to more global jurisdictions in which regulatory inquiries and audits may be requested of Oracle, and if we are not deemed to be in compliance, could result in enforcement actions and/or fines. This is true in the U.S. where, for example, the California Consumer Privacy Act (CCPA) became effective in January 2020, the U.S. Congress is considering several privacy bills at the federal level, and other state legislatures are considering privacy laws. Regulators globally are also imposing greater monetary fines for privacy violations. The GDPR, which became effective in May 2018, provides for monetary penalties of up to 4% of an organization's worldwide revenue. These penalties can be significant. For example, one European data protection regulator has fined a major U.S. technology company €50 million for its data handling practices. The U.S. Federal Trade Commission continues to fine companies on a regular basis for unfair and deceptive data protection practices, and these fines may increase in size. The CCPA provides for statutory damages or fines on a per violation basis that could be very large in the event of a significant data security breach or other CCPA violation. Taken together, the changes in laws or regulations associated with the enhanced protection of personal and other types of data could greatly increase the size of potential fines related to data protection, and our cost of providing our products and services could result in changes to our business practices or even prevent us from offering certain services in jurisdictions in which we operate. Although we have implemented contracts, diligence programs, policies and procedures designed to ensure compliance with applicable laws and regulations, there can be no assurance that our employees, contractors, partners, suppliers, data providers or agents will not violate such laws and regulations or our contracts, policies and procedures. Additionally, public perception and standards related to the privacy of personal information can shift rapidly, in ways that may affect our reputation or influence regulators to enact regulations and laws that may limit our ability to provide certain products and services.

We make statements about our use and disclosure of personal information through our privacy policy, information provided on our website and press statements. Any failure, or perceived failure, by us to comply with these public statements or with U.S. federal, state, or foreign laws and regulations, including laws and regulations regulating privacy, data security, or consumer protection, public perception, standards, self-regulatory requirements or legal obligations, could result in lost or restricted business, proceedings, actions or fines brought against us or levied by governmental entities or others, or could adversely affect our business and harm our reputation.

Third parties have claimed, and in the future may claim, infringement or misuse of intellectual property rights and/or breach of license agreement provisions.

We periodically receive notices from, or have lawsuits filed against us by, others claiming infringement or other misuse of their intellectual property rights and/or breach of our agreements with them. These third parties include entities that do not design, manufacture, or distribute products or services or that acquire intellectual property for the sole purpose of monetization through infringement assertions. We expect to continue to receive such claims as:

- we continue to expand into new businesses and acquire companies;
- the number of products and competitors in our industry segments grows;
- the use and support of third-party code (including open source code) becomes more prevalent in the industry;
- the volume of issued patents continues to increase; and
- non-practicing entities continue to assert intellectual property infringement in our industry segments.

Responding to any such claim, regardless of its validity, could:

- be time consuming, costly and result in litigation;
- divert management's time and attention from developing our business;
- require us to pay monetary damages or enter into royalty and licensing agreements that we would not normally find acceptable;
- require us to stop selling or to redesign certain of our products;
- require us to release source code to third parties, possibly under open source license terms;
- require us to satisfy indemnification obligations to our customers; or
- otherwise adversely affect our business, results of operations, financial condition or cash flows.

We may not be able to protect our intellectual property rights. We rely on copyright, trademark, patent and trade secret laws, confidentiality procedures, controls and contractual commitments to protect our intellectual property. Despite our efforts, these protections may be limited. Unauthorized third parties may try to copy or reverse engineer our products or otherwise use our intellectual property. Our patents may be invalidated or circumvented. Any of our pending or future patent applications may not be issued with the claim scope we seek, if at all. In addition, the laws of some countries do not provide the same level of intellectual property protection as U.S. laws and courts. If we cannot protect our intellectual property against unauthorized copying or use, or other misappropriation, we may not remain competitive.

We may not receive significant revenues from our current research and development efforts for several years, if at all. Developing our various product offerings is expensive and the investment in the development of these offerings often involves a long return on investment cycle. An important element of our corporate strategy is to continue to dedicate a significant amount of resources to research and development and related product and service opportunities both through internal investments and the acquisition of intellectual property from acquired companies. Accelerated product and service introductions and short lifecycles require high levels of expenditures for research and development that could adversely affect our operating results if not offset by revenue increases. We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain our competitive position. However, we do not expect to receive significant revenues from these investments for several years, if at all.

Legal and Regulatory Risks

Adverse litigation results could affect our business. We are subject to various legal proceedings. Litigation can be lengthy, expensive and disruptive to our operations, and can divert our management's attention away from running our core business. The results of our litigation also cannot be predicted with certainty. An adverse decision

could result in monetary damages or injunctive relief that could affect our business, operating results or financial condition. Additional information regarding certain of the lawsuits we are involved in is discussed under Note 17 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

We may be subjected to increased taxes due to changes in U.S. or international tax laws or from adverse resolutions of tax audits and controversies. As a multinational corporation, we incur income taxes as well as non-income based taxes (such as payroll, sales, use, property and value-added taxes) in both the U.S. and various foreign jurisdictions. Significant uncertainties exist with respect to the application of the various taxes to the businesses in which we engage, often requiring that we make judgments in determining our tax liabilities and worldwide provision for income taxes. We are regularly under audit by tax authorities in the U.S. and internationally, which can lead to disagreements such as regarding our intercompany transfer prices and calculations and on the applicability of withholding taxes to our cross-border transactions. Any unfavorable resolution of these tax audits and controversies could cause our tax liabilities to increase and may have a significant adverse impact on our provision for income taxes and tax rate. Although we believe that our income and non-income based tax estimates are reasonable, there is no assurance that the final determination of tax audits or disputes will not be different from what is reflected in our historical income tax provisions and tax accruals.

Increasingly, countries around the world are actively considering or have enacted changes in relevant tax, accounting and other laws, regulations and interpretations. In the U.S., various proposals, if enacted, would dramatically raise the U.S. corporate tax rate and increase the tax on non-U.S. income. Such unfavorable tax legislation resulting from the shifting U.S. political landscape and economic environment create the potential for added volatility in our quarterly provision for income taxes and could have a significant adverse impact on our future income tax provision and tax rate.

Other countries also continue to consider changes to their tax laws that could negatively affect us by increasing taxes imposed on our international revenue streams, operations and cross-border transactions, including the imposition of taxes targeted at digital technology businesses and changes in withholding tax regimes. More fundamentally, longstanding international tax principles that determine each country's right to tax cross-border transactions are being reconsidered, creating significant uncertainty as to the future level of corporate income tax on our international operations. This re-examination of the global tax system is driven by a perceived need to provide greater taxing rights to market jurisdictions where customers or users are located. Various measures are being discussed, including adjustments to the manner in which taxable profits are allocated among jurisdictions, as well as the limitation of deductions for, or the imposition of additional withholding taxes on, intercompany payments.

The foregoing proposals to raise U.S. corporate income taxes in combination with the uncertain international tax environment have upended the predictability and reliability of the global tax system. Our future income tax provision and tax rate could significantly increase if such tax law changes are enacted in the U.S. or in countries in which we do business. Our provision for income taxes also could be adversely affected by shifts of earnings from jurisdictions that have relatively lower statutory tax rates to those in which the rates are relatively higher. In addition, changes in the valuation of our deferred tax assets or liabilities could negatively impact our income tax provision.

Our international sales and operations subject us to additional risks that can adversely affect our operating results. We derive a substantial portion of our revenues from, and have significant operations, outside of the U.S. Compliance with international and U.S. laws and regulations that apply to our international operations increases our cost of doing business in foreign jurisdictions. These laws and regulations include data privacy requirements, labor relations laws, tax laws, foreign currency-related regulations, competition regulations, anti-bribery laws and other laws prohibiting payments to governmental officials such as the U.S. Foreign Corrupt Practices Act (FCPA), market access regulations, tariffs, and import, export and general trade regulations, including but not limited to economic sanctions and embargos. Violations of these laws and regulations could result in fines and penalties, criminal sanctions against us, our officers or our employees, and prohibitions on the conduct of our business, including the loss of trade privileges. Any such violations could result in prohibitions on our ability to offer our products and services in one or more countries, could delay or prevent potential acquisitions and could also

materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our business and our operating results. These laws can require suspension or termination of business, including financial transactions, in certain countries, territories or with certain customers and any such action in the future could adversely affect our business, financial condition and results of operations. Compliance with these laws also requires a significant amount of management attention and effort, which may divert management's attention from running our business operations and could harm our ability to grow our business, or may increase our expenses as we engage specialized or other additional resources to assist us with our compliance efforts.

Our success depends, in part, on our ability to anticipate these risks and manage these difficulties. We monitor our operations and investigate allegations of improprieties relating to transactions and the way in which such transactions are recorded. Where circumstances warrant, we provide information and report our findings to government authorities, and in some circumstances such authorities conduct their own investigations and we respond to their requests or demands for information. No assurance can be given that action will not be taken by such authorities or that our compliance program will prove effective.

We are also subject to a variety of other risks and challenges in managing an organization operating globally, including those related to:

- general economic conditions in each country or region;
- public health risks, social risks and supporting infrastructure stability risks, particularly in areas in which we have significant operations;
- fluctuations in currency exchange rates and related impacts on customer demand and our operating results;
- difficulties in transferring funds from or converting currencies in certain countries that could lead to a devaluation of our net assets, in particular our cash assets, in that country's currency;
- regulatory changes, including government austerity measures in certain countries that we may not be able to sufficiently plan for or avoid that may unexpectedly impair bank deposits or other cash assets that we hold in these countries or that impose additional taxes that we may be required to pay in these countries;
- political unrest, terrorism and the potential for other hostilities;
- common local business behaviors that are in direct conflict with our business ethics, practices and conduct policies;
- natural disasters;
- the effects of climate change (such as sea level rise, drought, flooding, wildfires and increased storm sensitivity);
- longer payment cycles and difficulties in collecting accounts receivable;
- overlapping tax regimes; and
- reduced protection for intellectual property rights in some countries.

The variety of risks and challenges listed above could also disrupt or otherwise negatively impact our supply chain operations and sales of our products and services in affected countries or regions.

As the majority shareholder of Oracle Financial Services Software Limited, a publicly traded company in India, and Oracle Corporation Japan, a publicly traded company in Japan, we are faced with several additional risks, including being subject to local securities regulations and being unable to exert full control that we would otherwise have if these entities were wholly-owned subsidiaries.

Our sales to government clients expose us to business volatility and risks, including government budgeting cycles and appropriations, procurement regulations, governmental policy shifts, early termination of contracts, audits,

investigations, sanctions and penalties. We derive revenues from contracts with the U.S. government, state and local governments, and foreign governments and are subject to procurement laws relating to the award, administration and performance of those contracts.

Governmental entities are variously pursuing policies that affect our ability to sell our products and services. Changes in government procurement policy, priorities, regulations, technology initiatives and/or requirements may negatively impact our potential for growth in the government sector. For example, the U.S. government imposes evolving cybersecurity requirements, including, for example, the FedRAMP authorization process and the Department of Defense (DoD) Cybersecurity Maturity Model Certification (CMMC). These requirements may impact our lines of business in the U.S. federal government market. Compliance with these cybersecurity requirements is complex and costly, and failure to meet, or delays in meeting, the required security controls could limit our ability to sell products and services, directly or indirectly, to the DoD and other federal and state government entities that implement similar cybersecurity requirements.

We are also subject to early termination of our contracts. Many governmental entities have the right to terminate contracts at any time, without cause. For example, the U.S. federal government may terminate any of our government contracts and subcontracts at its convenience, or for default based on our performance.

U.S. federal, state and local government and foreign government contracts are generally subject to government funding authorizations/appropriations. Contracts may be terminated based upon a lack of government funds.

There is increased pressure on governments and their agencies, both domestically and internationally, to reduce spending as governments continue to face significant deficit reduction pressures. This may adversely impact spending on government programs.

Government contracts laws and regulations impose certain risks, and contracts are generally subject to audits and investigations. If violations of law are found, they could result in civil and criminal penalties and administrative sanctions, including termination of contracts, refund of a portion of fees received, forfeiture of profits, suspension of payments, fines and suspensions or debarment from future government business.

Environmental and other related laws and regulations subject us to a number of risks and could result in significant liabilities and costs. Some of our cloud and hardware operations are subject to state, federal and international laws governing protection of the environment, proper handling and disposal of materials used for these products, human health and safety, the use of certain chemical substances and the labor practices of suppliers, as well as local testing and labeling requirements. Compliance with these ever-changing environmental and other laws in a timely manner could increase our product design, development, procurement, manufacturing, delivery, cloud operations and administration costs, limit our ability to manage excess and obsolete non-compliant inventory, change our sales activities, or otherwise impact future financial results of our cloud and hardware businesses. Any violation of these laws can subject us to significant liability, including fines, penalties and possible prohibition of sales of our products and services into one or more states or countries and result in a material adverse effect on the financial condition or results of operations of our cloud and hardware businesses. Regulatory, market, and competitive pressures regarding the greenhouse gas emissions and energy mix for our data center operations may also grow.

A significant portion of our hardware revenues come from international sales. Environmental legislation, such as the EU Directive on Restriction of Hazardous Substances (RoHS), the EU Waste Electrical and Electronic Equipment Directive (WEEE Directive) and China's regulation on Management Methods for Controlling Pollution Caused by Electronic Information Products, among others, may increase our cost of doing business internationally and impact our hardware revenues from the EU, China and other countries with similar environmental legislation as we endeavor to comply with and implement these requirements. The UK Government has announced a procurement policy that includes environmental, social and economic sustainability measures.

The SEC requires public disclosure for registrants that use certain "conflict minerals" in their products. Our supply chain is multi-tiered, global and highly complex. As a provider of hardware end-products, we are several steps removed from the mining and smelting or refining of any conflict minerals in our supply chain. Accordingly, our ability to determine with certainty the origin and chain of custody of conflict minerals is limited.

We have an Environmental Steering Committee (ESC) comprised of senior individuals from a wide range of Oracle business units, including our Chief Sustainability Officer who reports to our Chief Executive Officer and oversees our overall sustainability strategy, including climate related risk mitigation. The ESC evaluates if climate or environmental risks have the potential for significant chronic or acute impact on our core and/or strategic business functions, including service delivery and support, product development and deployment, supply chain management, facility operations, employee recruitment and retention, or brand reputation. A failure by the ESC to identify and assess these risks could adversely affect our reputation, business, financial performance and growth.

We publish an annual Corporate Citizenship Report, which includes disclosure of our Environmental, Social and Governance (ESG) matters and goals. Our disclosures on these matters, and standards we set for ourselves or a failure to meet these standards, may potentially harm our reputation and brand. By electing to set and share publicly these corporate ESG standards, our business may also face increased scrutiny related to ESG activities.

Financial Risks

Our quarterly results of operations may fluctuate significantly based on a number of factors that make our results of operations difficult for us to predict. Our revenues, particularly certain of our cloud license and on-premise license revenues and hardware revenues, can be difficult to forecast. A substantial portion of our cloud license, on-premise license and hardware contracts is completed in the latter part of a quarter, and a significant percentage of these is comprised of larger value orders. Because a significant portion of our cost structure is largely fixed in the short term, sales and revenue shortfalls tend to have a disproportionately negative impact on our profitability. The number of large license transactions and, to a lesser extent, hardware products transactions increases the risk of fluctuations in our quarterly results because a delay in even a small number of these transactions could cause our quarterly sales, revenues and profitability to fall significantly short of our predictions. In addition, sudden shifts in regional or global economic activity, such as what we experienced initially at the outset of the COVID-19 pandemic, may cause our sales forecasts to be inaccurate.

We may experience foreign currency gains and losses. Changes in currency exchange rates can adversely affect customer demand and our revenue and profitability. We conduct a significant number of transactions and hold cash in currencies other than the U.S. Dollar. Changes in the values of major foreign currencies, particularly the Euro, Japanese Yen and British Pound, relative to the U.S. Dollar can significantly affect our total assets, revenues, operating results and cash flows, which are reported in U.S. Dollars. Fluctuations in foreign currency rates, including the strengthening of the U.S. Dollar against the Euro and most other major international currencies, adversely affects our revenue growth in terms of the amounts that we report in U.S. Dollars after converting our foreign currency results into U.S. Dollars and in terms of actual demand for our products and services as certain of these products may become relatively more expensive for foreign currency-based enterprises to purchase. In addition, currency variations can adversely affect margins on sales of our products in countries outside of the U.S. Generally, our reported revenues and operating results are adversely affected when the dollar strengthens relative to other currencies and are positively affected when the dollar weakens. In addition, our reported assets generally are adversely affected when the dollar strengthens relative to other currencies as a portion of our consolidated cash and bank deposits, among other assets, are held in foreign currencies and reported in U.S. Dollars.

In addition, we incur foreign currency transaction gains and losses, primarily related to sublicense fees and other intercompany agreements among us and our subsidiaries that we expect to cash settle in the near term, which are charged to earnings in the period incurred. We have a program which primarily utilizes foreign currency forward contracts designed to offset the risks associated with certain foreign currency exposures. We may suspend the program from time to time. As part of this program, we enter into foreign currency forward contracts so that increases or decreases in our foreign currency exposures are offset at least in part by gains or losses on the foreign currency forward contracts in an effort to mitigate the risks and volatility associated with our foreign currency transaction gains or losses. A large portion of our consolidated operations are international, and we expect that we will continue to realize gains or losses with respect to our foreign currency exposures, net of gains or losses from our foreign currency forward contracts. For example, we will experience foreign currency gains and losses in certain instances if it is not possible or cost-effective to hedge our foreign currency exposures, if our hedging efforts are ineffective, or should we suspend our foreign currency forward contract program. Our ultimate realized

loss or gain with respect to currency fluctuations will generally depend on the size and type of cross-currency exposures that we enter into, the currency exchange rates associated with these exposures and changes in those rates, whether we have entered into foreign currency forward contracts to offset these exposures and any related fees paid to purchase such contracts, and other factors. All of these factors could materially impact our results of operations, financial position and cash flows.

We have incurred foreign currency losses associated with the devaluation of currencies in certain highly inflationary economies relative to the U.S. Dollar. We could incur future losses in emerging market countries where we do business should their currencies become designated as highly inflationary.

There are risks associated with our outstanding and future indebtedness. As of May 31, 2021, we had an aggregate of \$84.2 billion of outstanding indebtedness that will mature between calendar year 2021 and calendar year 2061, and we may incur additional indebtedness in the future. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations, generate sufficient cash flows to service such debt and the other factors discussed in this section. There can be no assurance that we will be able to manage any of these risks successfully.

We may also need to refinance a portion of our outstanding debt as it matures. There is a risk that we may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase.

Should we incur future increases in interest expense, our ability to utilize certain of our foreign tax credits to reduce our U.S. federal income tax could be limited, which could unfavorably affect our provision for income taxes and effective tax rate. In addition, changes by any rating agency to our outlook or credit rating could negatively affect the value of both our debt and equity securities and increase the interest amounts we pay on certain outstanding or future debt. These risks could adversely affect our financial condition and results of operations.

Risks Related to Our Common Stock

Our stock price could become more volatile and your investment could lose value. All of the factors discussed within this Risk Factors section could affect our stock price. The timing of announcements in the public market by us or by our competitors regarding new cloud services, products, product enhancements, technological advances, acquisitions or major transactions could also affect our stock price. Changes in the amounts and frequency of share repurchases or dividends could affect our stock price. Our stock price could also be affected by factors, some of which are beyond our control, including, among others: speculation in the press, social media and the analyst community, changes in recommendations or earnings related estimates by financial analysts, changes in investors' or analysts' valuation measures for our stock, negative analyst surveys or channel check surveys, earnings announcements where our financial results differ from our guidance or investors' expectations, our credit ratings and market trends unrelated to our performance. The stock market in general, and the market for technology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. A significant drop in our stock price could also expose us to the risk of securities class action lawsuits, which could result in substantial costs and divert management's attention and resources, which could adversely affect our business.

We cannot guarantee that our stock repurchase program will be fully implemented or that it will enhance long-term stockholder value. In fiscal 2021, our Board of Directors approved expansions of our stock repurchase program totaling \$20.0 billion. The repurchase program does not have an expiration date and we are not obligated to repurchase a specified number or dollar value of shares. Our repurchase program may be suspended or terminated at any time and, even if fully implemented, may not enhance long-term stockholder value.

General Risks

Economic, political and market conditions can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price. Our business is influenced by a range of factors that are beyond our control and that we have no comparative advantage in forecasting. These include:

- general economic and business conditions;
- overall demand for enterprise cloud, license and hardware products and services;
- governmental budgetary constraints or shifts in government spending priorities; and
- general legal, regulatory and political developments.

Macroeconomic developments such as the global economic effects resulting from the COVID-19 pandemic, the United Kingdom leaving the EU (Brexit), evolving trade policies between the U.S. and international trade partners, or the occurrence of similar events in other countries that lead to uncertainty or instability in economic, political or market conditions could negatively affect our business, operating results, financial condition and outlook, which, in turn, could adversely affect our stock price. Any general weakening of, and related declining corporate confidence in, the global economy or the curtailment of government or corporate spending could cause current or potential customers to reduce or eliminate their IT budgets and spending, which could cause customers to delay, decrease or cancel purchases of our products and services or cause customers not to pay us or to delay paying us for previously purchased products and services.

In addition, international, regional or domestic political unrest and the related potential impact on global stability, terrorist attacks and the potential for other hostilities in various parts of the world, public health crises such as the COVID-19 pandemic, and natural disasters continue to contribute to a climate of economic and political uncertainty that could adversely affect our results of operations and financial condition, including our revenue growth and profitability. These factors generally have the strongest effect on our sales of cloud license and on-premise license, hardware and related services and, to a lesser extent, also may affect our renewal rates for license support and our subscription-based cloud offerings.

Business disruptions could adversely affect our operating results. A significant portion of our critical business operations are concentrated in a few geographic areas, some of which include emerging market international locations that may be less stable relative to running such business operations solely within the U.S. We are a highly automated business and a disruption or failure of our systems, supply chains and processes could cause delays in completing sales, providing services, including some of our cloud offerings, and enabling a seamless customer experience with respect to our customer facing back office processes. A major earthquake or fire, political, social or other disruption to infrastructure that supports our operations or other catastrophic event or the effects of climate change (such as increased storm severity, drought and pandemics) that results in the destruction or disruption of any of our critical business, supply chains or IT systems could severely affect our ability to conduct normal business operations and, as a result, our future operating results could be materially and adversely affected.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Our properties consist of owned and leased office facilities for sales, support, research and development, services, manufacturing, cloud operations and administrative and other functions. Our headquarters facility consists of approximately 0.9 million square feet in Austin, Texas, substantially all of which we own. We also own or lease other facilities for current use consisting of approximately 24.1 million square feet in various other locations in the U.S. and abroad. Approximately 3.9 million square feet, or 16%, of our total owned and leased space is sublet or is being actively marketed for sublease or disposition. We lease our principal internal manufacturing facility for our

hardware products in Hillsboro, Oregon. Our cloud operations deliver our Oracle Cloud Services through the use of global data centers, substantially all of which were leased through colocation suppliers. We believe that our facilities are in good condition and suitable for the conduct of our business.

Item 3. Legal Proceedings

The material set forth in Note 14 (pertaining to information regarding contingencies related to our income taxes) and Note 17 (pertaining to information regarding legal contingencies) of Notes to Consolidated Financial Statements in Item 15 of this Annual Report on Form 10-K is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock is traded on the New York Stock Exchange under the symbol “ORCL.” According to the records of our transfer agent, we had 8,100 stockholders of record as of May 31, 2021.

For equity compensation plan information, please refer to Item 12 in Part III of this Annual Report.

Stock Repurchase Program

Our Board of Directors has approved a program for us to repurchase shares of our common stock. On March 10, 2021, we announced that our Board of Directors approved an expansion of our stock repurchase program by an additional \$20.0 billion. As of May 31, 2021, approximately \$15.6 billion remained available for stock repurchases pursuant to our stock repurchase program.

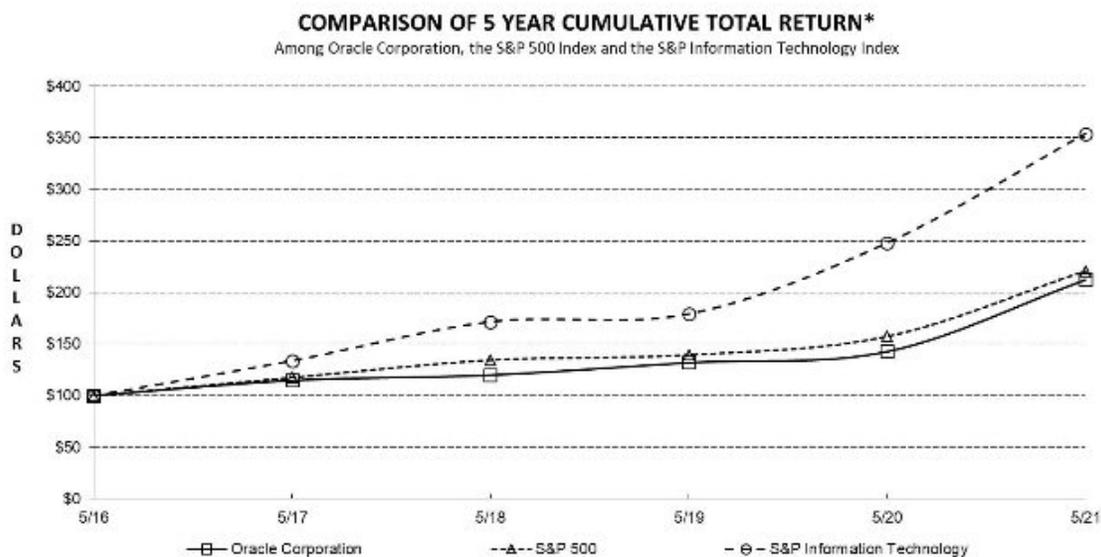
Our stock repurchase authorization does not have an expiration date and the pace of our repurchase activity will depend on factors such as our working capital needs, our cash requirements for acquisitions and dividend payments, our debt repayment obligations or repurchases of our debt, our stock price, and economic and market conditions. Our stock repurchases may be effected from time to time through open market purchases or pursuant to a Rule 10b5-1 plan. Our stock repurchase program may be accelerated, suspended, delayed or discontinued at any time.

The following table summarizes the stock repurchase activity for the three months ended May 31, 2021 and the approximate dollar value of shares that may yet be purchased pursuant to our stock repurchase program:

(in millions, except per share amounts)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
March 1, 2021—March 31, 2021	29.0	\$ 68.95	29.0	\$ 21,648.4
April 1, 2021—April 30, 2021	52.6	\$ 76.00	52.6	\$ 17,648.4
May 1, 2021—May 31, 2021	25.4	\$ 78.92	25.4	\$ 15,648.4
Total	<u>107.0</u>	\$ 74.79	<u>107.0</u>	

Stock Performance Graph and Cumulative Total Return

The graph below compares the cumulative total stockholder return on our common stock with the cumulative total return of the S&P 500 Index and the S&P Information Technology Index for each of the last five fiscal years ended May 31, 2021, assuming an investment of \$100 at the beginning of such period and the reinvestment of any dividends. The comparisons in the graphs below are based upon historical data and are not indicative of, nor intended to forecast, future performance of our common stock.



*\$100 INVESTED ON MAY 31, 2016 IN STOCK OR INDEX-INCLUDING REINVESTMENT OF DIVIDENDS

	5/16	5/17	5/18	5/19	5/20	5/21
Oracle Corporation	100.0	114.7	119.9	132.0	142.8	212.5
S&P 500 Index	100.0	117.5	134.4	139.5	157.4	220.8
S&P Information Technology Index	100.0	133.8	171.6	179.1	247.9	353.6

Item 6. Selected Financial Data

Omitted at registrant’s option.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

We begin Management’s Discussion and Analysis of Financial Condition and Results of Operations with an overview of our businesses and significant trends. This overview is followed by a summary of our critical accounting policies and estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results. We then provide a more detailed analysis of our results of operations and financial condition for fiscal 2021 compared to fiscal 2020. A discussion regarding our financial condition and results of operations for fiscal 2020 compared to fiscal 2019 can be found in Management’s Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended May 31, 2020, as filed with the SEC on June 22, 2020, which is available free of charge on the SEC’s website at www.sec.gov and on our Investor Relations website at www.oracle.com/investor.

Business Overview

Oracle provides products and services that address enterprise information technology (IT) environments. Our products and services include enterprise applications and infrastructure offerings that are delivered worldwide through a variety of flexible and interoperable IT deployment models. These models include on-premise deployments, cloud-based deployments, and hybrid deployments (an approach that combines both on-premise and cloud-based deployment) such as our Oracle Cloud@Customer offering (an instance of Oracle Cloud in a customer’s own data center). Accordingly, we offer choice and flexibility to our customers and facilitate the product, service and deployment combinations that best suit our customers’ needs. Through our worldwide sales force and Oracle Partner Network, we sell to customers all over the world including businesses of many sizes, government agencies, educational institutions and resellers.

We have three businesses: cloud and license; hardware; and services; each of which comprises a single operating segment. The descriptions set forth below as a part of this Item 7 and the information contained within Item 1 Business and Note 15 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report provide additional information related to our businesses and operating segments and align to how our chief operating decision makers (CODMs), which include our Chief Executive Officer and Chief Technology Officer, view our operating results and allocate resources.

Impacts of the COVID-19 Pandemic on Oracle’s Business

For a discussion of the impacts on and risks to our business from COVID-19, please refer to “Impacts of the COVID-19 Pandemic on Oracle’s Business” included in Item 1 Business in this Annual Report, the risks included in Item 1A Risk Factors in this Annual Report and the information presented below in “Results of Operations” in this Item 7.

Cloud and License Business

Our cloud and license business, which represented 84% and 83% of our total revenues in fiscal 2021 and 2020, respectively, markets, sells and delivers a broad spectrum of enterprise applications and infrastructure technologies through our cloud and license offerings. Revenue streams included in our cloud and license business are:

- Cloud services and license support revenues, which include:
 - license support revenues, which are earned by providing Oracle license support services to customers that have elected to purchase support services in connection with the purchase of Oracle applications and infrastructure software licenses for use in cloud, on-premise and other IT environments. Substantially all license support customers renew their support contracts with us upon expiration in order to continue to benefit from technical support services and the periodic issuance of unspecified updates and enhancements, which current license support customers are entitled to receive. License support contracts are generally priced as a percentage of the net fees paid by the customer to purchase a cloud license and/or on-premise license; are generally billed in advance of the support services being performed; are generally renewed at the customer’s option; and are generally

recognized as revenues ratably over the contractual period that the support services are provided, which is generally one year; and

- cloud services revenues, which provide customers access to Oracle Cloud applications and infrastructure technologies via cloud-based deployment models that Oracle develops, provides unspecified updates and enhancements for, deploys, hosts, manages and supports and that customers access by entering into a subscription agreement with us for a stated period. Oracle Cloud Services arrangements are generally billed in advance of the cloud services being performed; generally have durations of one to three years; are generally renewed at the customer's option; and are generally recognized as revenues ratably over the contractual period of the cloud contract or, in the case of usage model contracts, as the cloud services are consumed over time.
- Cloud license and on-premise license revenues, which include revenues from the licensing of our software products including Oracle Applications, Oracle Database, Oracle Middleware and Java, among others, which our customers deploy within cloud-based, on-premise and other IT environments. Our cloud license and on-premise license transactions are generally perpetual in nature and are generally recognized as revenues up front at the point in time when the software is made available to the customer to download and use. Revenues from usage-based royalty arrangements for distinct cloud licenses and on-premise licenses are recognized at the point in time when the software end user usage occurs. The timing of a few large license transactions can substantially affect our quarterly license revenues due to the point-in-time nature of revenue recognition for license transactions, which is different than the typical revenue recognition pattern for our cloud services and license support revenues in which revenues are generally recognized ratably over the contractual terms. Cloud license and on-premise license customers have the option to purchase and renew license support contracts, as further described above.

Providing choice and flexibility to our customers as to when and how they deploy Oracle applications and infrastructure technologies are important elements of our corporate strategy. In recent periods, customer demand for our applications and infrastructure technologies delivered through our Oracle Cloud Services has increased. To address customer demand and enable customer choice, we have introduced certain programs for customers to pivot their applications and infrastructure licenses and the related license support to the Oracle Cloud for new deployments and to migrate to and expand with the Oracle Cloud for their existing workloads. The proportion of our cloud services and license support revenues relative to our cloud license and on-premise license revenues, hardware revenues and services revenues has increased and we expect this trend to continue. Cloud services and license support revenues represented 71%, 70% and 68% of our total revenues during fiscal 2021, 2020 and 2019, respectively.

Our cloud and license business' revenue growth is affected by many factors, including the strength of general economic and business conditions; governmental budgetary constraints; the strategy for and competitive position of our offerings; the continued renewal of our cloud services and license support customer contracts by the customer contract base; substantially all customers continuing to purchase license support contracts in connection with their license purchases; the pricing of license support contracts sold in connection with the sales of licenses; the pricing, amounts and volumes of licenses and cloud services sold; our ability to manage Oracle Cloud capacity requirements to meet existing and prospective customer demand; and foreign currency rate fluctuations.

On a constant currency basis, we expect that our total cloud and license revenues generally will continue to increase due to:

- expected growth in our cloud services and license support offerings; and
- continued demand for our cloud license and on-premise license offerings.

We believe these factors should contribute to future growth in our cloud and license business' total revenues, which should enable us to continue to make investments in research and development and our cloud operations to develop, improve, increase the capacity of and expand the geographic footprint of our cloud and license products and services.

Our cloud and license business' margin has historically trended upward over the course of the four quarters within a particular fiscal year due to the historical upward trend of our cloud and license business' revenues over those quarterly periods and because the majority of our costs for this business are generally fixed in the short term. The historical upward trend of our cloud and license business' revenues over the course of the four quarters within a particular fiscal year is primarily due to the addition of new cloud services and license support contracts to the customer contract base that we generally recognize as revenues ratably or based upon customer usage over the respective contractual terms; the renewal of existing customers' cloud services and license support contracts over the course of each fiscal year that we generally recognize as revenues ratably; and the historical upward trend of our cloud license and on-premise license revenues, which we generally recognize at a point in time upon delivery; in each case over those four quarterly periods.

Hardware Business

Our hardware business, which represented 8% and 9% of our total revenues in fiscal 2021 and 2020, respectively, provides a broad selection of enterprise hardware products and hardware-related software products including Oracle Engineered Systems, servers, storage, industry-specific hardware offerings, operating systems, virtualization, management and other hardware-related software, and related hardware support. Each hardware product and its related software, such as an operating system or firmware, are highly interdependent and interrelated and are accounted for as a combined performance obligation. The revenues for this combined performance obligation are generally recognized at the point in time that the hardware product and its related software are delivered to the customer and ownership is transferred to the customer. We expect to make investments in research and development to improve existing hardware products and services and to develop new hardware products and services. The majority of our hardware products are sold through indirect channels, including independent distributors and value-added resellers. Our hardware support offerings provide customers with unspecified software updates for software components that are essential to the functionality of our hardware products and associated software products such as Oracle Solaris. Our hardware support offerings can also include product repairs, maintenance services and technical support services. Hardware support contracts are entered into and renewed at the option of the customer, are generally priced as a percentage of the net hardware products fees and are generally recognized as revenues ratably as the hardware support services are delivered over the contractual terms.

We generally expect our hardware business to have lower operating margins as a percentage of revenues than our cloud and license business due to the incremental costs we incur to produce and distribute these products and to provide support services, including direct materials and labor costs.

Our quarterly hardware revenues are difficult to predict. Our hardware revenues, cost of hardware and hardware operating margins that we report are affected by many factors, including our manufacturing partners' abilities to timely manufacture or deliver a few large hardware transactions; our strategy for and the position of our hardware products relative to competitor offerings; customer demand for competing offerings, including cloud infrastructure offerings; the strength of general economic and business conditions; governmental budgetary constraints; whether customers decide to purchase hardware support contracts at or in close proximity to the time of hardware product sale; the percentage of our hardware support contract customer base that renews its support contracts and the close association between hardware products, which have a finite life, and customer demand for related hardware support as hardware products age; customer decisions to either maintain or upgrade their existing hardware infrastructure to newly developed technologies that are available; and foreign currency rate fluctuations.

Services Business

Our services business, which represented 8% of our total revenues in each of fiscal 2021 and 2020, helps customers and partners maximize the performance of their investments in Oracle applications and infrastructure technologies. We believe that our services are differentiated based on our focus on Oracle technologies, extensive experience, broad sets of intellectual property and best practices. Our services offerings include consulting services and advanced customer services. Our services business has lower margins than our cloud and license and hardware businesses. Our services revenues are affected by many factors including our strategy for, and the

competitive position of, our services; customer demand for our cloud and license and hardware offerings and the associated services for these offerings; general economic conditions; governmental budgetary constraints; personnel reductions in our customers' IT departments; tighter controls over customer discretionary spending; and foreign currency rate fluctuations.

Acquisitions

Our selective and active acquisition program is another important element of our corporate strategy. Historically, we have invested billions of dollars to acquire a number of complementary companies, products, services and technologies. The pace of our acquisitions has slowed in recent years, but as compelling opportunities become available, we may acquire companies, products, services and technologies in furtherance of our corporate strategy. Note 2 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report provides additional information related to our recent acquisitions.

We believe that we can fund our future acquisitions with our internally available cash, cash equivalents and marketable securities, cash generated from operations, additional borrowings or from the issuance of additional securities. We estimate the financial impact of any potential acquisition with regard to earnings, operating margin, cash flows and return on invested capital targets before deciding to move forward with an acquisition.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as set forth in the Financial Accounting Standards Board's Accounting Standards Codification (ASC), and we consider the various staff accounting bulletins and other applicable guidance issued by the SEC. GAAP, as set forth within the ASC, requires us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. To the extent that there are differences between these estimates, judgments or assumptions and actual results, our financial statements will be affected. The accounting policies that reflect our more significant estimates, judgments and assumptions and which we believe are the most critical to aid in fully understanding and evaluating our reported financial results include:

- Revenue Recognition;
- Business Combinations;
- Goodwill and Intangible Assets—Impairment Assessments;
- Accounting for Income Taxes; and
- Legal and Other Contingencies.

Our senior management has reviewed our critical accounting policies and related disclosures with the Finance and Audit Committee of the Board of Directors. Note 1 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report includes additional information about our critical and other accounting policies.

Revenue Recognition

The most critical judgments required in applying ASC 606, *Revenue Recognition from Customers*, and our revenue recognition policy relate to the determination of distinct performance obligations and the evaluation of the standalone selling price (SSP) for each performance obligation.

Many of our customer contracts include multiple performance obligations. Judgment is required in determining whether each performance obligation within a customer contract is distinct. Oracle products and services generally do not require a significant amount of integration or interdependency. Therefore, multiple products and services

contained within a customer contract are generally considered to be distinct and are not combined for revenue recognition purposes. We allocate the transaction price for each customer contract to each performance obligation based on the relative SSP (the determination of SSP is discussed below) for each performance obligation within each contract. We recognize the amount of transaction price allocated to each performance obligation within a customer contract as revenue as each performance obligation is delivered.

We use historical sales transaction data and judgment, among other factors, in determining the SSP for products and services. For substantially all performance obligations except cloud licenses and on-premise licenses, we are able to establish the SSP based on the observable prices of products or services sold separately in comparable circumstances to similar customers. We typically establish an SSP range for our products and services, which is reassessed on a periodic basis or when facts and circumstances change. SSP for our products and services can evolve over time due to changes in our pricing practices that are influenced by intense competition, changes in demand for our products and services, and economic factors, among others. Our cloud licenses and on-premise licenses have not historically been sold on a standalone basis, as substantially all customers elect to purchase license support contracts at the time of a license purchase. License support contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license. We are unable to establish the SSP for our cloud licenses and on-premise licenses based on observable prices given the same products are sold for a broad range of amounts (that is, the selling price is highly variable) and a representative SSP is not discernible from past transactions or other observable evidence. As a result, the SSP for a cloud license and an on-premise license included in a contract with multiple performance obligations is generally determined by applying a residual approach whereby all other performance obligations within a contract are first allocated a portion of the transaction price based upon their respective SSPs, with any residual amount of transaction price allocated to cloud license and on-premise license revenues.

Business Combinations

We apply the provisions of ASC 805, *Business Combinations* (ASC 805), in accounting for our acquisitions. ASC 805 requires that we evaluate whether a transaction pertains to an acquisition of assets, or to an acquisition of a business. A business is defined as an integrated set of assets and activities that is capable of being conducted and managed for the purpose of providing a return to investors. Asset acquisitions are accounted for by allocating the cost of the acquisition to the individual assets and liabilities assumed on a relative fair value basis; whereas the acquisition of a business requires us to recognize separately from goodwill the assets acquired and the liabilities assumed at the acquisition date fair values. Goodwill as of the acquisition date is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as any contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the business acquisition date, we record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of a business acquisition's measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of operations.

Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date, including our estimates for intangible assets, contractual obligations assumed, pre-acquisition contingencies and any contingent consideration, where applicable. Although we believe that the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

For a given business acquisition, we may identify certain pre-acquisition contingencies as of the acquisition date and may extend our review and evaluation of these pre-acquisition contingencies throughout the measurement period in order to obtain sufficient information to assess whether we include these contingencies as a part of the fair value estimates of assets acquired and liabilities assumed and, if so, to determine their estimated amounts.

If we cannot reasonably determine the fair value of a non-income tax related pre-acquisition contingency by the end of the measurement period, which is generally the case given the nature of such matters, we will recognize an asset or a liability for such pre-acquisition contingency if: (1) it is probable that an asset existed or a liability had been incurred at the acquisition date and (2) the amount of the asset or liability can be reasonably estimated. Subsequent to the measurement period or final determination of the net asset values for the business combination, whichever comes first, changes in our estimates of such contingencies will affect earnings and could have a material effect on our results of operations and financial position.

In addition, uncertain tax positions and tax related valuation allowances assumed in a business combination are initially estimated as of the acquisition date. We reevaluate these items quarterly based upon facts and circumstances that existed as of the acquisition date with any adjustments to our preliminary estimates being recorded to goodwill if identified within the measurement period. Subsequent to the measurement period or our final determination of the tax allowance's or contingency's estimated value, whichever comes first, changes to these uncertain tax positions and tax related valuation allowances will affect our provision for income taxes in our consolidated statement of operations and could have a material impact on our results of operations and financial position.

Goodwill and Intangible Assets—Impairment Assessments

We review goodwill for impairment annually and whenever events or changes in circumstances indicate its carrying value may not be recoverable. We make certain judgments and assumptions to determine our reporting units and in allocating shared assets and liabilities to determine the carrying values for each of our reporting units.

Judgment in the assessment of qualitative factors of impairment include cost factors; financial performance; legal, regulatory, contractual, political, business, and other factors; entity specific factors; industry and market considerations, macroeconomic conditions, and other relevant events and factors affecting the reporting unit. To the extent we determine that it is more likely than not that the fair value of the reporting unit is less than its carrying value, a quantitative test is then performed.

Performing a quantitative goodwill impairment test includes the determination of the fair value of a reporting unit and involves significant estimates and assumptions. These estimates and assumptions include, among others, revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates, future economic and market conditions, and the determination of appropriate market comparables.

We make judgments about the recoverability of purchased finite lived intangible assets whenever events or changes in circumstances indicate that impairment may exist. In such situations, we are required to evaluate whether the net book values of our finite lived intangible assets are recoverable. We determine whether finite lived intangible assets are recoverable based upon the forecasted future cash flows that are expected to be generated by the lowest level associated asset grouping. Assumptions and estimates about future values and remaining useful lives of our intangible assets are complex and subjective and include, among others, forecasted undiscounted cash flows to be generated by certain asset groupings. These assumptions and estimates can be affected by a variety of factors, including external factors such as industry and economic trends and internal factors such as changes in our business strategy and our internal forecasts.

Accounting for Income Taxes

Judgment is required in determining our worldwide income tax provision. In the ordinary course of a global business, there are many transactions and calculations where the ultimate tax outcome is uncertain. Some of these uncertainties arise as a consequence of revenue sharing and cost reimbursement arrangements among related entities, the process of identifying items of revenues and expenses that qualify for preferential tax treatment, and the segregation of foreign and domestic earnings and expenses to avoid double taxation. Although we believe that our estimates are reasonable, the final tax outcome of these matters could be different from that which is reflected in our historical income tax provisions and accruals. Such differences could have a material effect on our income tax provision and net income in the period in which such determination is made.

We record a valuation allowance to reduce our deferred tax assets to the amount that is more likely than not to be realized. In order for us to realize our deferred tax assets, we must be able to generate sufficient taxable income in those jurisdictions where the deferred tax assets are located. We consider future growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate, historical earnings, taxable income in prior years, if carryback is permitted under the law, and prudent and feasible tax planning strategies in determining the need for a valuation allowance. In the event we were to determine that we would not be able to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax assets valuation allowance would be charged to earnings in the period in which we make such a determination, or goodwill would be adjusted at our final determination of the valuation allowance related to an acquisition within the measurement period. If we later determine that it is more likely than not that the net deferred tax assets would be realized, we would reverse the applicable portion of the previously provided valuation allowance as an adjustment to our provision for income taxes at such time.

We calculate our current and deferred tax provision based on estimates and assumptions that could differ from the actual results reflected in income tax returns filed during the subsequent year. Adjustments based on filed returns are generally recorded in the period when the tax returns are filed and the global tax implications are known, which can materially impact our effective tax rate.

The amount of income tax we pay is subject to ongoing audits by federal, state and foreign tax authorities, which often result in proposed assessments. Our estimate of the potential outcome for any uncertain tax issue may require certain judgments. A description of our accounting policies associated with tax related contingencies assumed as a part of a business combination is provided under “Business Combinations” above.

For those tax related contingencies that are not a part of a business combination, we account for these uncertain tax issues pursuant to ASC 740, *Income Taxes*, which contains a two-step approach to recognizing and measuring uncertain tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained in an audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. Although we believe that we have adequately reserved for our uncertain tax positions, no assurance can be given with respect to the final outcome of these matters. We adjust reserves for our uncertain tax positions due to changing facts and circumstances, such as the closing of a tax audit, judicial rulings, and refinement of estimates or realization of earnings or deductions that differ from our estimates. To the extent that the final outcome of these matters is different than the amounts recorded, such differences generally will impact our provision for income taxes in the period in which such a determination is made. Our provisions for income taxes include the impact of reserve provisions and changes to reserves that are considered appropriate and also include the related interest and penalties.

Legal and Other Contingencies

We are currently involved in various claims and legal proceedings. Quarterly, we review the status of each significant matter and assess our potential financial exposure. A description of our accounting policies associated with contingencies assumed as a part of a business combination is provided under “Business Combinations” above. For legal and other contingencies that are not a part of a business combination, we accrue a liability for an estimated loss if the potential loss from any claim or legal proceeding is considered probable, and the amount can be reasonably estimated. Significant judgment is required in both the determination of probability and the determination as to whether the amount of an exposure is reasonably estimable. Because of uncertainties related to these matters, accruals are based only on the best information available at the time the accruals are made. As additional information becomes available, we reassess the potential liability related to our pending claims and litigation and may revise our estimates. Such revisions in the estimates of the potential liabilities could have a material impact on our results of operations and financial position.

Results of Operations

Presentation of Operating Segment Results and Other Financial Information

In our fiscal 2021 compared to fiscal 2020 results of operations discussion below, we provide an overview of our total consolidated revenues, total consolidated operating expenses and total consolidated operating margin, all of which are presented on a GAAP basis. We also present a GAAP-based discussion below for substantially all of the other expense items as presented in our consolidated statements of operations that are not directly attributable to our three businesses.

In addition, we discuss below the fiscal 2021 compared to fiscal 2020 results of each of our three businesses—cloud and license, hardware and services—which are our operating segments as defined pursuant to ASC 280, *Segment Reporting*. The financial reporting for our three businesses that is presented below is presented in a manner that is consistent with that used by our CODMs. Our operating segment presentation below reflects revenues, direct costs and sales and marketing expenses that correspond to and are directly attributable to each of our three businesses. We also utilize these inputs to calculate and present a segment margin for each of our three businesses in the discussion below.

Consistent with our internal management reporting processes, the below operating segment presentation is noted to include any revenues adjustments related to cloud services and license support contracts that would have otherwise been recorded by the acquired businesses as independent entities but were not recognized in our consolidated statements of operations for the periods presented due to business combination accounting requirements. Refer to “Supplemental Disclosure Related to Certain Charges” below for additional discussion of these items and Note 15 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report for a reconciliation of the summations of our total operating segment revenues as presented in the discussion below to total revenues as presented per our consolidated statements of operations for all periods presented.

In addition, research and development expenses, general and administrative expenses, stock-based compensation expenses, amortization of intangible assets, certain other expense allocations, acquisition related and other expenses, restructuring expenses, interest expense, non-operating expenses or income, net and provision for income taxes are not attributed to our three operating segments because our management does not view the performance of our three businesses including such items and/or it is impractical to do so. Refer to “Supplemental Disclosure Related to Certain Charges” below for additional discussion of certain of these items and Note 15 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report for a reconciliation of the summations of total segment margin as presented in the discussion below to total income before provision for income taxes as presented per our consolidated statements of operations for all periods presented.

We experienced COVID-19 related impacts to our business during fiscal 2021 and 2020. Certain of these historical impacts on our operating results are further discussed below. Any future impacts are currently unknown.

Separately, as described further below and in Notes 1 and 14 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report, we recorded a \$2.3 billion non-recurring net deferred tax benefit during fiscal 2021 that related to a partial realignment of our legal entity structure that resulted in the intra-group transfer of certain intellectual property rights.

Constant Currency Presentation

Our international operations have provided and are expected to continue to provide a significant portion of each of our businesses’ revenues and expenses. As a result, each of our businesses’ revenues and expenses and our total revenues and expenses will continue to be affected by changes in the U.S. Dollar against major international currencies. In order to provide a framework for assessing how our underlying businesses performed, excluding the effects of foreign currency rate fluctuations, we compare the percent change in the results from one period to another period in this Annual Report using constant currency disclosure. To present this information, current and comparative prior period results for entities reporting in currencies other than U.S. Dollars are converted into U.S. Dollars at constant exchange rates (i.e., the rates in effect on May 31, 2020, which was the last day of our prior fiscal year) rather than the actual exchange rates in effect during the respective periods. For example, if an entity

reporting in Euros had revenues of 1.0 million Euros from products sold on May 31, 2021 and 2020, our financial statements would reflect reported revenues of \$1.19 million in fiscal 2021 (using 1.19 as the month-end average exchange rate for the period) and \$1.10 million in fiscal 2020 (using 1.10 as the month-end average exchange rate for the period). The constant currency presentation, however, would translate the fiscal 2021 results using the fiscal 2020 exchange rate and indicate, in this example, no change in revenues during the period. In each of the tables below, we present the percent change based on actual, unrounded results in reported currency and in constant currency.

Total Revenues and Operating Expenses

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Total Revenues by Geography:				
Americas	\$ 21,828	1%	2%	\$ 21,563
EMEA ⁽¹⁾	11,894	8%	2%	11,035
Asia Pacific	6,757	4%	1%	6,470
Total revenues	<u>40,479</u>	4%	2%	<u>39,068</u>
Total Operating Expenses	25,266	0%	-1%	25,172
Total Operating Margin	\$ 15,213	9%	6%	\$ 13,896
Total Operating Margin %	38%			36%
% Revenues by Geography:				
Americas	54%			55%
EMEA	29%			28%
Asia Pacific	17%			17%
Total Revenues by Business:				
Cloud and license	\$ 34,099	5%	3%	\$ 32,519
Hardware	3,359	-2%	-4%	3,443
Services	3,021	-3%	-5%	3,106
Total revenues	<u>\$ 40,479</u>	4%	2%	<u>\$ 39,068</u>
% Revenues by Business:				
Cloud and license	84%			83%
Hardware	8%			9%
Services	8%			8%

(1) Comprised of Europe, the Middle East and Africa

Excluding the effects of foreign currency rate fluctuations, our total revenues increased in fiscal 2021. The constant currency increase in our cloud and license business' revenues during fiscal 2021 was offset by decreases in our hardware business' revenues and services business' revenues. The constant currency increase in our cloud and license business' revenues during fiscal 2021 relative to fiscal 2020 was attributable to growth in our cloud services and license support revenues and growth in our cloud license and on-premise license revenues as customers purchased our applications and infrastructure technologies via cloud and license deployment models and renewed their related cloud contracts and license support contracts to continue to gain access to the latest versions of our technologies and to receive support services. The constant currency decrease in our hardware business' revenues during fiscal 2021 relative to fiscal 2020 was due to the emphasis we placed on the marketing and sale of our growing cloud-based infrastructure technologies and the de-emphasis of our sales and marketing efforts for certain of our non-strategic hardware products and related support services. The constant currency decrease in our services business' revenues during fiscal 2021 relative to fiscal 2020 was primarily attributable to a decline in our consulting revenues. All three of our businesses' revenues were adversely impacted during fiscal 2021 and 2020 due to the effects of the COVID-19 pandemic and some of these effects may continue into fiscal 2022. While we expect these effects to be temporary, the impacts of COVID-19 for future periods are unknown. In constant currency, the Americas, EMEA and Asia Pacific regions contributed 54%, 39% and 7%, respectively, to the growth in our total revenues during fiscal 2021.

Excluding the effects of foreign currency rate fluctuations, our total operating expenses decreased during fiscal 2021 relative to fiscal 2020 primarily due to lower sales and marketing expenses, lower hardware expenses and lower services expenses, all of which were primarily attributable to lower headcount and a reduction in certain variable expenditures as further described below. In addition, we also incurred lower amortization of intangible assets during fiscal 2021. These constant currency expense decreases were partially offset by certain constant currency expense increases during fiscal 2021, primarily: higher cloud services and license support expenses, which increased primarily due to higher infrastructure investments that were made to support the increase in our cloud and license business' revenues; higher research and development and general and administrative expenses, each of which increased primarily due to higher employee related expenses; higher acquisition related and other expenses, which increased primarily due to certain right-of-use assets and other assets that were abandoned in connection with plans to improve our cost structure and operations; and higher restructuring expenses, which increased due to actions taken during fiscal 2021 pursuant to the Fiscal 2019 Oracle Restructuring Plan (2019 Restructuring Plan). During fiscal 2021 and 2020, we curtailed a number of variable expenditures across all of our lines of businesses and functions including employee travel expenses and marketing expenses, among others, primarily in response to COVID-19. We expect certain of these expenses may normalize in future periods provided global economic and health conditions improve.

In constant currency, our total operating margin and total operating margin as a percentage of total revenues increased in fiscal 2021 due to higher total revenues and lower total operating expenses. In fiscal 2022, we expect to accelerate our investments primarily in our cloud and license business. We expect fiscal 2022 total expenses growth to exceed total revenues growth and, as a result, our fiscal 2022 total operating margin as a percentage of total revenues to be modestly lower relative to fiscal 2021.

Supplemental Disclosure Related to Certain Charges

To supplement our consolidated financial information, we believe that the following information is helpful to an overall understanding of our past financial performance and prospects for the future.

Our operating results reported pursuant to GAAP included the following business combination accounting adjustments and expenses related to acquisitions and certain other expense and income items that affected our GAAP net income:

(in millions)	Year Ended May 31,	
	2021	2020
Cloud services and license support deferred revenues ⁽¹⁾	\$ 2	\$ 4
Amortization of intangible assets ⁽²⁾	1,379	1,586
Acquisition related and other ⁽³⁾	138	56
Restructuring ⁽⁴⁾	431	250
Stock-based compensation, operating segments ⁽⁵⁾	513	436
Stock-based compensation, R&D and G&A ⁽⁵⁾	1,324	1,154
Income tax effects ⁽⁶⁾	(3,408)	(939)
	<u>\$ 379</u>	<u>\$ 2,547</u>

(1) In connection with our acquisitions, we have estimated the fair values of the cloud services and license support contracts assumed. Due to our application of business combination accounting rules, we did not recognize the cloud services and license support revenue amounts as presented in the above table that would have otherwise been recorded by the acquired businesses as independent entities upon delivery of the contractual obligations. To the extent customers for which these contractual obligations pertain renew these contracts with us, we expect to recognize revenues for the full contracts' values over the respective contracts' renewal periods.

(2) Represents the amortization of intangible assets, substantially all of which were acquired in connection with our acquisitions. As of May 31, 2021, estimated future amortization related to intangible assets was as follows (in millions):

Fiscal 2022	\$	1,122
Fiscal 2023		698
Fiscal 2024		453
Fiscal 2025		123
Fiscal 2026		24
Thereafter		10
Total intangible assets, net	\$	<u>2,430</u>

(3) Acquisition related and other expenses primarily consist of personnel related costs for transitional and certain other employees, integration related professional services, certain business combination adjustments including certain adjustments after the measurement period has ended and certain other operating items, net.

(4) Restructuring expenses during fiscal 2021 and 2020 primarily related to employee severance in connection with our 2019 Restructuring Plan. Additional information regarding certain of our restructuring plans is provided in management's discussion below under "Restructuring Expenses" and in Note 8 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

(5) Stock-based compensation was included in the following operating expense line items of our consolidated statements of operations (in millions):

	Year Ended May 31,	
	2021	2020
Cloud services and license support	\$ 134	\$ 110
Hardware	11	11
Services	55	54
Sales and marketing	313	261
Stock-based compensation, operating segments	<u>513</u>	<u>436</u>
Research and development	1,188	1,035
General and administrative	136	119
Total stock-based compensation	<u>\$ 1,837</u>	<u>\$ 1,590</u>

(6) For fiscal 2021, the applicable jurisdictional tax rates applied to our income before provision for income taxes after excluding the tax effects of items within the table above such as for stock-based compensation, amortization of intangible assets, restructuring, and certain other acquisition related items, and after excluding a \$2.3 billion tax benefit arising from the increase of a deferred tax asset associated with a partial realignment of our legal entity structure and any related deferred tax expense (refer to Notes 1 and 14 in our consolidated financial statements included elsewhere in this Annual Report for additional information), resulted in an effective tax rate of 15.9%, instead of (5.7%), which represented our effective tax rate as derived per our consolidated statement of operations. For fiscal 2020, the applicable jurisdictional tax rates applied to our income before provision for income taxes after adjusting for the effects of items within the table above, such as for stock-based compensation, amortization of intangible assets, restructuring, and certain other acquisition related items, resulted in an effective tax rate of 18.4%, instead of 16.0%, which represented our effective tax rate as derived per our consolidated statement of operations.

Cloud and License Business

Our cloud and license business engages in the sale and marketing of our applications and infrastructure technologies that are delivered through various deployment models and include: Oracle license support offerings; Oracle cloud services offerings; and Oracle cloud license and on-premise license offerings. License support revenues are typically generated through the sale of license support contracts related to cloud licenses and on-premise licenses; are purchased by our customers at their option; and are generally recognized as revenues ratably over the contractual term, which is generally one year. Our cloud services deliver applications and infrastructure technologies on a subscription basis via cloud-based deployment models that we develop, provide unspecified updates and enhancements for, deploy, host, manage and support. Revenues for our cloud services are generally recognized over the contractual term, which is generally one to three years, or in the case of usage model contracts, as the cloud services are consumed. Cloud license and on-premise license revenues represent fees earned from granting customers licenses, generally on a perpetual basis, to use our database and middleware and our applications software products within cloud and on-premise IT environments and are generally recognized up front at the point in time when the software is made available to the customer to download and use. We continue

to place significant emphasis, both domestically and internationally, on direct sales through our own sales force. We also continue to market certain of our offerings through indirect channels. Costs associated with our cloud and license business are included in cloud services and license support expenses, and sales and marketing expenses. These costs are largely personnel and infrastructure related including the cost of providing our cloud services and license support offerings, salaries and commissions earned by our sales force for the sale of our cloud and license offerings, and marketing program costs.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Cloud and License Revenues:				
Americas(1)	\$ 18,783	3%	3%	\$ 18,314
EMEA	9,928	10%	4%	9,058
Asia Pacific	5,390	5%	1%	5,151
Total revenues(1)	<u>34,101</u>	5%	3%	<u>32,523</u>
Expenses:				
Cloud services and license support(2)	4,133	9%	7%	3,803
Sales and marketing(2)	6,799	-5%	-6%	7,159
Total expenses(2)	<u>10,932</u>	0%	-2%	<u>10,962</u>
Total Margin	<u>\$ 23,169</u>	7%	5%	<u>\$ 21,561</u>
Total Margin %	68%			66%
% Revenues by Geography:				
Americas	55%			56%
EMEA	29%			28%
Asia Pacific	16%			16%
Revenues by Offerings:				
Cloud services and license support(1)	\$ 28,702	5%	3%	\$ 27,396
Cloud license and on-premise license	5,399	5%	2%	5,127
Total revenues(1)	<u>\$ 34,101</u>	5%	3%	<u>\$ 32,523</u>
Cloud Services and License Support Revenues by Ecosystem:				
Applications cloud services and license support(1)	\$ 11,713	6%	5%	\$ 11,019
Infrastructure cloud services and license support(1)	16,989	4%	2%	16,377
Total cloud services and license support revenues(1)	<u>\$ 28,702</u>	5%	3%	<u>\$ 27,396</u>

(1) Includes cloud services and license support revenue adjustments related to certain cloud services and license support contracts that would have otherwise been recorded as revenues by the acquired businesses as independent entities but were not recognized in our GAAP-based consolidated statements of operations for the periods presented due to business combination accounting requirements. Such revenue adjustments were included in our operating segment results for purposes of reporting to and review by our CODMs. See "Presentation of Operating Segment Results and Other Financial Information" above for additional information.

(2) Excludes stock-based compensation and certain expense allocations. Also excludes amortization of intangible assets and certain other GAAP-based expenses, which were not allocated to our operating segment results for purposes of reporting to and review by our CODMs, as further described under "Presentation of Operating Segment Results and Other Financial Information" above.

Excluding the effects of foreign currency rate fluctuations, our cloud and license business' total revenues increased in fiscal 2021 relative to fiscal 2020 due to growth in our cloud services and license support revenues and cloud license and on-premise license revenues as customers purchased our applications and infrastructure technologies via cloud and license deployment models and renewed their related cloud contracts and license support contracts to continue to gain access to the latest versions of our technologies and to receive support for which we delivered such cloud and support services during fiscal 2021. The growth in our cloud and license business' revenues were adversely impacted during fiscal 2021 and 2020 due to the COVID-19 pandemic, and the impacts of COVID-19 for future periods are unknown. In constant currency, the Americas, EMEA and Asia Pacific regions contributed 57%, 38% and 5%, respectively, of the constant currency revenue growth for this business in fiscal 2021.

In constant currency, our total cloud and license business' expenses decreased in fiscal 2021 compared to fiscal 2020 due to lower sales and marketing expenses, which decreased primarily due to lower employee related expenses and our curtailment of variable expenditures, including lower employee travel expenses and lower

marketing expenses, primarily in response to COVID-19. These constant currency expense decreases were partially offset by higher cloud services and license support expenses during fiscal 2021, which were primarily attributable to higher technology infrastructure expenses to support the increase in our cloud and license business' revenues. Our cloud services and license support expenses have grown in recent periods and, in fiscal 2022, we expect this growth to accelerate as we increase our existing data center capacity and establish data centers in new geographic locations in order to meet current and expected customer demand.

Excluding the effects of foreign currency rate fluctuations, our cloud and license business' total margin and total margin as a percentage of revenues increased in fiscal 2021 compared to fiscal 2020 due to the fiscal 2021 increases in total revenues and the decreases in total expenses for this business.

Hardware Business

Our hardware business' revenues are generated from the sales of our Oracle Engineered Systems, server, storage, and industry-specific hardware offerings. The hardware product and related software, such as an operating system or firmware, are highly interdependent and interrelated and are accounted for as a combined performance obligation. The revenues for this combined performance obligation are generally recognized at the point in time that the hardware product is delivered to the customer and ownership is transferred to the customer. Our hardware business also earns revenues from the sale of hardware support contracts purchased by our customers at their option and that are generally recognized as revenues ratably as the hardware support services are delivered over the contractual term, which is generally one year. The majority of our hardware products are sold through indirect channels such as independent distributors and value-added resellers and we also market and sell our hardware products through our direct sales force. Operating expenses associated with our hardware business include the cost of hardware products, which consists of expenses for materials and labor used to produce these products by our internal manufacturing operations or by third-party manufacturers, warranty expenses and the impact of periodic changes in inventory valuation, including the impact of inventory determined to be excess and obsolete; the cost of materials used to repair customer products; the cost of labor and infrastructure to provide support services; and sales and marketing expenses, which are largely personnel related and include variable compensation earned by our sales force for the sales of our hardware offerings.

(Dollars in millions)	Year Ended May 31,			2020
	2021	Percent Change		
		Actual	Constant	
Hardware Revenues:				
Americas	\$ 1,650	-6%	-6%	\$ 1,758
EMEA	989	-1%	-4%	998
Asia Pacific	720	5%	1%	687
Total revenues	<u>3,359</u>	<u>-2%</u>	<u>-4%</u>	<u>3,443</u>
Expenses:				
Hardware products and support ⁽¹⁾	945	-13%	-14%	1,084
Sales and marketing ⁽¹⁾	388	-15%	-16%	456
Total expenses ⁽¹⁾	<u>1,333</u>	<u>-13%</u>	<u>-14%</u>	<u>1,540</u>
Total Margin	<u>\$ 2,026</u>	<u>6%</u>	<u>5%</u>	<u>\$ 1,903</u>
Total Margin %	60%			55%
% Revenues by Geography:				
Americas	49%			51%
EMEA	30%			29%
Asia Pacific	21%			20%

(1) Excludes stock-based compensation and certain expense allocations. Also excludes amortization of intangible assets and certain other GAAP-based expenses, which were not allocated to our operating segment results for purposes of reporting to and review by our CODMs, as further described under "Presentation of Operating Segments and Other Financial Information" above.

Our constant currency hardware revenues declined in fiscal 2021 relative to fiscal 2020 primarily due to our continued emphasis on the marketing and sale of our growing cloud-based infrastructure technologies and the de-

emphasis of our sales and marketing efforts for certain of our non-strategic hardware products and related support services, the net impact of which resulted in reduced sales volumes of certain of our hardware product lines and also impacted the volume of hardware support contracts sold in recent periods. Our hardware business' revenues were also adversely impacted during fiscal 2021 and 2020 by the unfavorable economic effects caused by COVID-19. Geographically, we experienced constant currency revenue declines in all regions during fiscal 2021, other than Asia Pacific.

Excluding the effects of currency rate fluctuations, total hardware expenses decreased in fiscal 2021 compared to fiscal 2020 primarily due to lower hardware product expenses, lower hardware support costs and lower sales and marketing costs, all of which aligned to lower hardware revenues.

In constant currency, our hardware business' total margin and total margin as a percentage of revenues increased in fiscal 2021 compared to fiscal 2020 primarily due to lower total expenses for this business.

Services Business

We offer services to customers and partners to help maximize the performance of their investments in Oracle applications and infrastructure technologies. Services revenues are generally recognized over time as the services are performed. The cost of providing our services consists primarily of personnel related expenses, technology infrastructure expenditures, facilities expenses and external contractor expenses.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Services Revenues:				
Americas	\$ 1,397	-7%	-6%	\$ 1,496
EMEA	977	0%	-5%	979
Asia Pacific	647	2%	-1%	631
Total revenues	<u>3,021</u>	<u>-3%</u>	<u>-5%</u>	<u>3,106</u>
Total Expenses⁽¹⁾	<u>2,393</u>	<u>-10%</u>	<u>-12%</u>	<u>2,656</u>
Total Margin	<u>\$ 628</u>	<u>39%</u>	<u>37%</u>	<u>\$ 450</u>
Total Margin %	21%			14%
% Revenues by Geography:				
Americas	46%			48%
EMEA	32%			32%
Asia Pacific	22%			20%

(1) Excludes stock-based compensation and certain allocations. Also excludes certain other GAAP-based expenses, which were not allocated to our operating segment results for purposes of reporting to and review by our CODMs, as further described under "Presentation of Operating Segments and Other Financial Information" above.

Excluding the effects of currency rate fluctuations, our total services revenues decreased in fiscal 2021 relative to fiscal 2020 primarily due to a decline in our consulting revenues. Our services business revenues were also adversely impacted during fiscal 2021 and 2020 by the impacts of COVID-19, including the impacts of consulting project delays due to customer resource constraints and in-person meeting restrictions imposed by certain jurisdictions. In addition, we incurred lower billable travel expenses and lower billable sub-contractor expenses for which we would have been reimbursed by our customers, which reduced the amount of revenues and expenses we reported for our services business during fiscal 2021 and 2020. Geographically, we experienced constant currency revenue declines in all regions during fiscal 2021.

In constant currency, total services expenses decreased in fiscal 2021 compared to fiscal 2020 primarily due to lower employee related costs caused by lower headcount in addition to lower travel and sub-contractor expenses as described above.

In constant currency, total margin and total margin as a percentage of total services revenues increased during fiscal 2021 relative to fiscal 2020 due to lower total expenses for this business.

Research and Development Expenses: Research and development expenses consist primarily of personnel related expenditures. We intend to continue to invest significantly in our research and development efforts because, in our judgment, they are essential to maintaining our competitive position.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Research and development ⁽¹⁾	\$ 5,339	6%	6%	\$ 5,032
Stock-based compensation	1,188	15%	15%	1,035
Total expenses	\$ 6,527	8%	7%	\$ 6,067
% of Total Revenues		16%		15%

(1) Excluding stock-based compensation

On a constant currency basis, total research and development expenses increased in fiscal 2021 compared to fiscal 2020 primarily due to higher fiscal 2021 employee related expenses including higher salary expenses due to increased headcount, higher variable compensation expenses and higher stock-based compensation expenses. These constant currency expense increases were partially offset by lower travel expenses during fiscal 2021 primarily due to the impacts of COVID-19.

General and Administrative Expenses: General and administrative expenses primarily consist of personnel related expenditures for IT, finance, legal and human resources support functions.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
General and administrative ⁽¹⁾	\$ 1,118	5%	5%	\$ 1,062
Stock-based compensation	136	15%	15%	119
Total expenses	\$ 1,254	6%	6%	\$ 1,181
% of Total Revenues		3%		3%

(1) Excluding stock-based compensation

Excluding the effects of foreign currency rate fluctuations, total general and administrative expenses increased in fiscal 2021 compared to fiscal 2020 primarily due to certain higher employee related expenses including higher variable compensation expenses and higher stock-based compensation expenses. These increases were partially offset by lower salary expenses due to lower headcount, and by lower travel expenses and certain other variable expense curtailments that we implemented during fiscal 2021 primarily due to the impacts of COVID-19. In addition, general and administrative expenses during fiscal 2021 were unfavorably affected in comparison to the prior year due to a \$29 million litigation related benefit that reduced our expenses during fiscal 2020.

Amortization of Intangible Assets: Substantially all of our intangible assets were acquired through our business combinations. We amortize our intangible assets over, and monitor the appropriateness of, the estimated useful lives of these assets. We also periodically review these intangible assets for potential impairment based upon relevant facts and circumstances. Note 6 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report has additional information regarding our intangible assets and related amortization.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Developed technology	\$ 621	-21%	-22%	\$ 789
Cloud services and license support agreements and related relationships	669	-1%	-2%	676
Other	89	-27%	-27%	121
Total amortization of intangible assets	\$ 1,379	-13%	-14%	\$ 1,586

Amortization of intangible assets decreased in fiscal 2021 due to a reduction in expenses associated with certain of our intangible assets that became fully amortized, partially offset by a smaller amount of additional amortization from intangible assets that we acquired in connection with our recent acquisitions.

Acquisition Related and Other Expenses: Acquisition related and other expenses primarily consist of personnel related costs for transitional and certain other employees, certain business combination adjustments, including adjustments after the measurement period has ended, and certain other operating items, net.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Transitional and other employee related costs	\$ 5	-58%	-59%	\$ 12
Business combination adjustments, net	4	*	*	(7)
Other, net	129	153%	152%	51
Total acquisition related and other expenses	\$ 138	147%	145%	\$ 56

* Not meaningful

On a constant currency basis, acquisition related and other expenses increased during fiscal 2021 due to higher other expenses, net which primarily related to certain facilities-related right-of-use assets and certain other assets that were abandoned in connection with plans to improve our cost structure and operations during fiscal 2021.

Restructuring Expenses: Restructuring expenses resulted from the execution of management approved restructuring plans that were generally developed to improve our cost structure and/or operations, often in conjunction with our acquisition integration strategies and/or other strategic initiatives. Restructuring expenses consist of employee severance costs and other contract termination costs to improve our cost structure prospectively. For additional information regarding our restructuring plans, see Note 8 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Restructuring expenses	\$ 431	73%	66%	\$ 250

Restructuring expenses in fiscal 2021 and 2020 primarily related to our 2019 Restructuring Plan, which is substantially complete. Our management approved, committed to and initiated the 2019 Restructuring Plan in order to restructure and further improve efficiencies in our operations. We may incur additional restructuring expenses in future periods due to the initiation of new restructuring plans or from changes in estimated costs associated with existing restructuring plans.

The majority of the initiatives undertaken by our 2019 Restructuring Plan were effected to implement our continued emphasis in developing, marketing and selling our cloud-based offerings. These initiatives impacted certain of our sales and marketing and research and development operations. Certain of the cost savings realized pursuant to our 2019 Restructuring Plan initiatives were offset by investments in resources and geographies that better address the

development, marketing, sale and delivery of our cloud-based offerings including investments in our second-generation cloud infrastructure.

Interest Expense:

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Interest expense	\$ 2,496	25%	25%	\$ 1,995

Interest expense increased in fiscal 2021 compared to fiscal 2020 substantially due to higher average borrowings resulting from our issuance of \$15.0 billion of senior notes in March 2021 and \$20.0 billion of senior notes in March 2020.

Non-Operating Income, net: Non-operating income, net consists primarily of interest income, net foreign currency exchange losses, the noncontrolling interests in the net profits of our majority-owned subsidiaries (primarily Oracle Financial Services Software Limited and Oracle Corporation Japan) and net other income and expenses, including net realized gains and losses related to all of our investments, net unrealized gains and losses related to the small portion of our investment portfolio related to our deferred compensation plan, net unrealized gains and losses related to equity securities and non-service net periodic pension income and losses.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Interest income	\$ 101	-81%	-81%	\$ 527
Foreign currency losses, net	(112)	-40%	-45%	(185)
Noncontrolling interests in income	(180)	10%	10%	(164)
Other, net	473	*	*	(16)
Total non-operating income, net	\$ 282	74%	95%	\$ 162

* Not meaningful

Our non-operating income, net increased in fiscal 2021 compared to fiscal 2020 primarily due to higher other income, net that primarily resulted from a \$299 million unrealized investment gain for certain non-marketable securities due to an observable price change and a \$193 million unrealized investment gain associated with certain marketable equity securities that we held for certain employee benefit plans and classified as trading, and for which an equal and offsetting amount was recorded to our operating expenses during the same period. These increases in non-operating income, net were partially offset by lower interest income that we recognized in fiscal 2021, which was caused by lower average interest rates that were applicable to our cash, cash equivalent and marketable securities balances.

Benefit from (Provision for) Income Taxes: Our effective income tax rates for each of the periods presented were the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. Refer to Note 14 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report for a discussion regarding the differences between the effective income tax rates as presented for the periods below and the U.S. federal statutory income tax rates that were in effect during these periods. Future effective tax rates could be adversely affected by an unfavorable shift of earnings weighted to jurisdictions with higher tax rates, by unfavorable changes in tax laws and regulations, by adverse rulings in tax related litigation, or by shortfalls in stock-based compensation realized by employees relative to stock-based compensation that was recorded for book purposes, among others.

(Dollars in millions)	Year Ended May 31,			
	2021	Percent Change		2020
		Actual	Constant	
Benefit from (provision for) income taxes	\$ 747	*	*	\$ (1,928)
Effective tax (benefit) expense rate	(5.7%)			16.0%

* Not meaningful

We recognized a benefit from income taxes in fiscal 2021 in comparison to income tax expense in fiscal 2020 primarily due to the favorable impact of a \$2.3 billion net tax benefit arising from an increase in a net deferred tax asset associated with a partial realignment of our legal entity structure that resulted in the intra-group transfer of certain intellectual property rights in fiscal 2021 and, to a lesser extent, a net change in unrecognized tax benefits due to settlements with tax authorities and an increase in excess tax benefits related to stock-based compensation expense, partially offset by an unfavorable jurisdictional mix of earnings and higher pre-tax income in fiscal 2021.

Liquidity and Capital Resources

(Dollars in millions)	As of May 31,		
	2021	Change	2020
Working capital	\$ 31,403	-10%	\$ 34,940
Cash, cash equivalents and marketable securities	\$ 46,554	8%	\$ 43,057

Working capital: The decrease in working capital as of May 31, 2021 in comparison to May 31, 2020 was primarily due to cash used for repurchases of our common stock, the reclassification of \$8.3 billion of long-term senior notes as current liabilities, cash used to pay dividends to our stockholders and cash used for capital expenditures during fiscal 2021. These unfavorable impacts were partially offset by our issuance of \$15.0 billion of long-term senior notes in March 2021 (refer to Recent Financing Activities below for additional information), the favorable impacts to our net current assets resulting from our net income during fiscal 2021 and cash proceeds from stock option exercises. Our working capital may be impacted by some or all of the aforementioned factors in future periods, the amounts and timing of which are variable.

Cash, cash equivalents and marketable securities: Cash and cash equivalents primarily consist of deposits held at major banks, money market funds, Tier-1 commercial paper and other securities with original maturities of 90 days or less. Marketable securities consist of corporate debt securities and certain other securities. The increase in cash, cash equivalents and marketable securities at May 31, 2021 in comparison to May 31, 2020 was primarily due to cash inflows generated by our issuance of \$15.0 billion of long-term senior notes in March 2021, cash inflows generated by our operations and cash inflows from stock option exercises during fiscal 2021. These cash inflows during fiscal 2021 were partially offset by certain cash outflows, primarily \$20.9 billion for settled repurchases of our common stock, payments of cash dividends to our stockholders, the repayment of \$2.6 billion related to our borrowings, and cash used for capital expenditures.

The amount of cash, cash equivalents and marketable securities that we report in U.S. Dollars for a significant portion of the cash, cash equivalents and marketable securities balances held by our foreign subsidiaries is subject to translation adjustments caused by changes in foreign currency exchange rates as of the end of each respective reporting period (the offset to which is substantially recorded to accumulated other comprehensive loss (AOCL) in our consolidated balance sheets and is also presented as a line item in our consolidated statements of comprehensive income included elsewhere in this Annual Report). As the U.S. Dollar generally weakened against certain major international currencies during fiscal 2021, the amount of cash, cash equivalents and marketable securities that we reported in U.S. Dollars for these subsidiaries increased on a net basis as of May 31, 2021 relative to what we would have reported using constant currency rates from the May 31, 2020 balance sheet date.

(Dollars in millions)	Year Ended May 31,		
	2021	Change	2020
Net cash provided by operating activities	\$ 15,887	21%	\$ 13,139
Net cash (used for) provided by investing activities	\$ (13,098)	*	\$ 9,843
Net cash used for financing activities	\$ (10,378)	69%	\$ (6,132)

* Not meaningful

Cash flows from operating activities: Our largest source of operating cash flows is cash collections from our customers following the purchase and renewal of their license support agreements. Payments from customers for these license support agreements are generally received near the beginning of the contracts' terms, which are generally one year in length. Over the course of a fiscal year, we also have historically generated cash from the

sales of new licenses, cloud services, hardware offerings and other services. Our primary uses of cash from operating activities are for employee related expenditures, material and manufacturing costs related to the production of our hardware products, taxes, interest payments and leased facilities.

Net cash provided by operating activities increased during fiscal 2021 compared to fiscal 2020 primarily due to higher net income, higher cash collections from customers, a portion of which were previously delayed due to the global economic effects that resulted from COVID-19, and certain other cash favorable working capital changes, in each case in fiscal 2021 relative to fiscal 2020.

Cash flows from investing activities: The changes in cash flows from investing activities primarily relate to the timing of our purchases, maturities and sales of our investments in marketable securities, and investments in capital and other assets, including certain intangible assets, to support our growth.

Net cash used for investing activities was \$13.1 billion during fiscal 2021 in comparison to net cash provided by investing activities of \$9.8 billion during fiscal 2020. Net cash used for investing activities during fiscal 2021 primarily resulted from an increase in cash used for the purchases of marketable securities and other investments and an increase in capital expenditures, partially offset by an increase in cash proceeds from sales and maturities of marketable securities and other investments, in each case during fiscal 2021 relative to fiscal 2020. In fiscal 2022, we expect our capital expenditures could nearly double relative to fiscal 2021, primarily to increase data center capacities and geographic locations to meet current and expected customer demand for our cloud services.

Cash flows from financing activities: The changes in cash flows from financing activities primarily relate to borrowings and repayments related to our debt instruments, stock repurchases, dividend payments and net proceeds related to employee stock programs.

Net cash used for financing activities during fiscal 2021 increased compared to fiscal 2020 primarily due to lower proceeds from the issuance of senior notes and higher stock repurchases, partially offset by lower debt repayments and higher cash proceeds from stock option exercises, in each case during fiscal 2021 in comparison to fiscal 2020.

Free cash flow: To supplement our statements of cash flows presented on a GAAP basis, we use non-GAAP measures of cash flows on a trailing 4-quarter basis to analyze cash flows generated from our operations. We believe that free cash flow is also useful as one of the bases for comparing our performance with our competitors. The presentation of non-GAAP free cash flow is not meant to be considered in isolation or as an alternative to net income as an indicator of our performance, or as an alternative to cash flows from operating activities as a measure of liquidity. We calculate free cash flow as follows:

(Dollars in millions)	Year Ended May 31,		
	2021	Change	2020
Net cash provided by operating activities	\$ 15,887	21%	\$ 13,139
Capital expenditures	(2,135)	37%	(1,564)
Free cash flow	\$ 13,752	19%	\$ 11,575
Net income	\$ 13,746		\$ 10,135
Free cash flow as percent of net income	100%		114%

Long-Term Customer Financing: We offer certain of our customers the option to acquire licenses, cloud services, hardware and other services offerings through separate long-term payment contracts. We generally sell these contracts that we have financed for our customers on a non-recourse basis to financial institutions within 90 days of the contracts' dates of execution. We generally record the transfers of amounts due from customers to financial institutions as sales of financing receivables because we are considered to have surrendered control of these financing receivables. We financed \$941 million in fiscal 2021 and \$1.0 billion in each of fiscal 2020 and 2019 of our cloud license and on-premise license revenues.

Recent Financing Activities:

Cash Dividends: In fiscal 2021, we declared and paid cash dividends of \$1.04 per share that totaled \$3.1 billion. In June 2021, our Board of Directors declared a quarterly cash dividend of \$0.32 per share of our outstanding common stock payable on July 29, 2021 to stockholders of record as of the close of business on July 15, 2021. Future declarations of dividends and the establishment of future record and payment dates are subject to the final determination of our Board of Directors.

Senior Notes: In March 2021, we issued \$15.0 billion of senior notes comprised of the following:

- \$2.75 billion of 1.65% senior notes due March 2026;
- \$2.00 billion of 2.30% senior notes due March 2028;
- \$3.25 billion of 2.875% senior notes due March 2031;
- \$2.25 billion of 3.65% senior notes due March 2041;
- \$3.25 billion of 3.95% senior notes due March 2051; and
- \$1.50 billion of 4.10% senior notes due March 2061.

We issued the senior notes for general corporate purposes, which may include stock repurchases, payment of cash dividends on our common stock, repayment of indebtedness and future acquisitions. Additionally, in fiscal 2021, we repaid \$1.0 billion and €1.25 billion of senior notes pursuant to their terms. Additional details regarding our senior notes are included in Note 7 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

Common Stock Repurchase Program: Our Board of Directors has approved a program for us to repurchase shares of our common stock. On March 10, 2021, we announced that our Board of Directors approved an expansion of our stock repurchase program by an additional \$20.0 billion. As of May 31, 2021, approximately \$15.6 billion remained available for stock repurchases pursuant to our stock repurchase program. We repurchased 329.2 million shares for \$21.0 billion, 361.0 million shares for \$19.2 billion, and 733.8 million shares for \$36.0 billion in fiscal 2021, 2020 and 2019, respectively. Our stock repurchase authorization does not have an expiration date and the pace of our repurchase activity will depend on factors such as our working capital needs, our cash requirements for acquisitions and dividend payments, our debt repayment obligations or repurchases of our debt, our stock price, and economic and market conditions. Our stock repurchases may be effected from time to time through open market purchases and pursuant to a Rule 10b5-1 plan. Our stock repurchase program may be accelerated, suspended, delayed or discontinued at any time.

Contractual Obligations: Our largest contractual obligations as of May 31, 2021 consisted of:

- principal payments related to our senior notes and other borrowings that are included in our consolidated balance sheet and the related periodic interest payments;
- routine tax payments including those that are payable pursuant to the transition tax under the U.S. Tax Cuts and Jobs Act of 2017 that are included in our consolidated balance sheet;
- operating lease liabilities that are included in our consolidated balance sheet; and
- other contractual commitments associated with agreements that are enforceable and legally binding.

In addition, as of May 31, 2021, we had \$8.5 billion of gross unrecognized income tax benefits, including related interest and penalties, recorded on our consolidated balance sheet, the nature of which is uncertain with respect to settlement or release with the relevant tax authorities, although we believe it is reasonably possible that certain of these liabilities could be settled or released during fiscal 2022. We are involved in claims and legal proceedings, which are inherently uncertain with respect to outcomes, estimates and assumptions that we make as of each reporting period, are inherently unpredictable, and many aspects are out of our control. Notes 7, 11, 14 and 17 of

Notes to Consolidated Financial Statements included elsewhere in this Annual Report include additional information regarding our contractual obligations and contingencies.

We believe that our current cash, cash equivalents and marketable securities and cash generated from operations will be sufficient to meet our working capital, capital expenditures and contractual obligation requirements. In addition, we believe that we could fund our future acquisitions, dividend payments and repurchases of common stock or debt with our internally available cash, cash equivalents and marketable securities, cash generated from operations, additional borrowings or from the issuance of additional securities.

Restricted Stock-Based Awards and Stock Options

Our stock-based compensation program is a key component of the compensation package we provide to attract and retain certain of our talented employees and align their interests with the interests of existing stockholders.

We recognize that restricted stock-based awards and stock options dilute existing stockholders and have sought to control the number of stock-based awards granted while providing competitive compensation packages. Consistent with these dual goals, our cumulative potential dilution since June 1, 2018 has been a weighted-average annualized rate of 1.0% per year. The potential dilution percentage is calculated as the average annualized new restricted stock-based awards and stock options granted and assumed, net of restricted stock-based awards and stock options forfeited by employees leaving the company, divided by the weighted-average outstanding shares during the calculation period. This maximum potential dilution will only result if all restricted stock-based awards vest and stock options are exercised. Of the outstanding stock options at May 31, 2021, which generally have a ten-year exercise period, all have exercise prices lower than the market price of our common stock on such date. In recent years, our stock repurchase program has more than offset the dilutive effect of our stock-based compensation program. However, we may modify the levels of our stock repurchases in the future depending on a number of factors, including the amount of cash we have available for acquisitions, to pay dividends, to repay or repurchase indebtedness or for other purposes. As of May 31, 2021, the maximum potential dilution from all outstanding restricted stock-based awards and unexercised stock options, regardless of when granted and regardless of whether vested or unvested, was 7.7%.

During fiscal 2021, the Compensation Committee of the Board of Directors reviewed and approved the annual organization-wide stock-based award grants to selected employees; all stock-based award grants to senior officers; and any individual grant of restricted stock units of 62,500 or greater. Each member of a separate executive officer committee, referred to as the Plan Committee, was allocated a fiscal 2021 equity budget that could be used throughout the fiscal year to grant equity within his or her organization, subject to certain limitations established by the Compensation Committee.

Restricted stock-based award and stock option activity from June 1, 2018 through May 31, 2021 is summarized as follows (shares in millions):

Restricted stock-based awards and stock options outstanding at May 31, 2018	393
Restricted stock-based awards and stock options granted	164
Restricted stock-based awards vested and issued and stock options exercised	(267)
Forfeitures, cancellations and other, net	(73)
Restricted stock-based awards and stock options outstanding at May 31, 2021	217
Weighted-average annualized restricted stock-based awards and stock options granted and assumed, net of forfeitures and cancellations	31
Weighted-average annualized stock repurchases	(475)
Shares outstanding at May 31, 2021	2,814
Basic weighted-average shares outstanding from June 1, 2018 through May 31, 2021	3,263
Restricted stock-based awards and stock options outstanding as a percent of shares outstanding at May 31, 2021	7.7%
Total restricted stock-based awards and in the money stock options outstanding (based on the closing price of our common stock on the last trading day of fiscal 2021) as a percent of shares outstanding at May 31, 2021	7.7%
Weighted-average annualized restricted stock-based awards and stock options granted and assumed, net of forfeitures and cancellations and before stock repurchases, as a percent of weighted-average shares outstanding from June 1, 2018 through May 31, 2021	1.0%
Weighted-average annualized restricted stock-based awards and stock options granted and assumed, net of forfeitures and cancellations and after stock repurchases, as a percent of weighted-average shares outstanding from June 1, 2018 through May 31, 2021	-13.6%

Recent Accounting Pronouncements

For information with respect to recent accounting pronouncements, if any, and the impact of these pronouncements on our consolidated financial statements, if any, see Note 1 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Cash, Cash Equivalents and Marketable Securities

Cash, cash equivalents and marketable securities were \$46.6 billion and \$43.1 billion as of May 31, 2021 and 2020, respectively. Our bank deposits are generally held with large, diverse financial institutions worldwide with high investment-grade credit ratings or financial institutions that meet investment-grade ratings criteria, which we believe mitigates credit risk and certain other risks. In addition, as of May 31, 2021, substantially all of our marketable securities were high quality, fixed-rate debt securities and had maturity dates within one year (a description of the types of marketable securities held as of May 31, 2021 and 2020 is included in Notes 3 and 4 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report and "Liquidity and Capital Resources" above). The market values of our fixed-rate marketable securities investments are adversely impacted as interest rates increase. Due in part to these factors, we may realize losses if we sell securities prior to their scheduled maturities that declined in market value due to changes in interest rates. However, because we classify substantially all of our investments in debt securities as available-for-sale and record changes in their fair values to AOCL on our consolidated balance sheets, no gains or losses are recognized in our earnings due to market changes in interest rates unless such securities are sold prior to their scheduled maturities or the declines in fair values are due to expected credit loss. We generally do not use our marketable debt securities investments for trading purposes.

Borrowings and Related Fair Value Hedges

Our total borrowings were \$84.2 billion as of May 31, 2021, consisting of \$84.1 billion of fixed-rate borrowings and \$113 million of other borrowings, compared to \$71.6 billion as of May 31, 2020, consisting of \$71.5 billion of fixed-rate borrowings and \$113 million of other borrowings. With the exception of those senior notes for which we have

corresponding fair value hedges that are recorded at their fair values as of each reporting period and discussed further below, we record all of our fixed-rate borrowings at amortized cost and therefore, any changes in interest rates do not impact the values that we report for these senior notes or our consolidated financial statements.

As of May 31, 2021, we held certain interest rate and cross-currency interest rate swap agreements that have the economic effect of modifying the fixed-interest rate obligations associated with certain of our senior notes to variable interest rate obligations based on LIBOR that we have designated as fair value hedges, among certain other effects. Consequently, these swap agreements are recorded at their fair values at each reporting period and incur gains and losses due to changes in market interest rates but are substantially offset by the corresponding losses and gains on the related senior notes for which the swap agreements pertained. By entering into these swap arrangements, we have assumed risks associated with variable interest rates based upon LIBOR. Changes in interest rates affected the interest expense that we recognized in our consolidated statements of operations and the values that we report for these instruments as of each reporting date. Additional details regarding our senior notes and related swap agreements are included in Notes 7 and 10 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report. We do not use these swap arrangements for trading purposes.

Currency Risk

Foreign Currency Translation Risk

As described under “Constant Currency Presentation” above, our international operations have provided and are expected to continue to provide a significant portion of our consolidated revenues and expenses that we report in U.S. Dollars. As a result, our consolidated revenues and expenses are affected and will continue to be affected by changes in the U.S. Dollar against major foreign currencies. Fluctuations in foreign currencies impact the amount of total assets, liabilities, earnings and cash flows that we report for our foreign subsidiaries upon the translation of these amounts into U.S. Dollars for, and as of the end of, each reporting period. In particular, the strengthening of the U.S. Dollar generally will reduce the reported amount of our foreign-denominated cash, cash equivalents, marketable securities, total revenues and total expense that we translate into U.S. Dollars and report in our consolidated financial statements for, and as of the end of, each reporting period.

Foreign Currency Transaction Risk

We transact business in various foreign currencies. Our principal currency exposures include the Euro, Japanese Yen, Saudi Arabian Riyal, Indian Rupee and British Pound. Our foreign currency exposures primarily arise from various intercompany transactions. We have established a program that primarily utilizes foreign currency forward contracts to offset the risks that arise from the aforementioned transactions. Under this program, our strategy is to enter into foreign currency forward contracts for major currencies in which we have an exposure so that increases or decreases in our foreign currency exposures are offset by gains or losses on the foreign currency forward contracts which mitigate the risks and volatility associated with our foreign currency transactions. We may suspend this program from time to time. Our foreign currency forward contracts are generally short-term in duration and we do not use them for trading purposes.

We realize gains or losses with respect to our foreign currency exposures, net of gains or losses from our foreign currency forward contracts, and we also incur costs to enter into these foreign currency forward contracts, substantially all of which are included in non-operating income, net in our consolidated financial statements. Our ultimate realized gain or loss with respect to foreign currency exposures will generally depend on the size and type of cross-currency transactions that we enter into, the currency exchange rates associated with these exposures and changes in those rates, the net realized gain or loss on our foreign currency forward contracts and other factors. Furthermore, as a large portion of our consolidated operations are international, we could experience additional foreign currency volatility in the future, in which the amounts and timing are unknown. Refer to Notes 1 and 10 of Notes to Consolidated Financial Statements included elsewhere in this Annual Report for additional details about our foreign currency forward contracts.

Sensitivity Analysis

The following table sets forth the hypothetical potential losses that we consider to be the most material to the fair values of our interest rate and currency influenced holdings, including associated derivatives, or future earnings resulting from hypothetical changes in relevant market rates as of or for the reporting periods below:

(in millions)	Hypothetical Change	Impact	Year Ended May 31,	
			2021	2020
Interest rate risk:				
Marketable securities	50 basis points increase in interest rates	Fair values	\$ (23)	\$ (15)
Interest rate swap and cross-currency interest rate swap agreements	100 basis points increase in interest rates	Fair values	\$ (37)	\$ (63)
Interest rate swap and cross-currency interest rate swap agreements	100 basis points increase in interest rates	Earnings	\$ (24)	\$ (24)
Foreign currency risk:				
Total revenues	10% decrease in foreign exchange rates	Earnings	\$ (2,061)	\$ (1,942)
Cash, cash equivalents and marketable securities	10% decrease in foreign exchange rates	Fair values	\$ (650)	\$ (491)

Item 8. Financial Statements and Supplementary Data

The response to this item is submitted as a separate section of this Annual Report. See Part IV, Item 15.

Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures**Evaluation of Disclosure Controls and Procedures**

As of the end of the period covered by this Annual Report on Form 10-K, we carried out an evaluation under the supervision and with the participation of our Disclosure Committee and our management, including our Principal Executive and Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(e) and 15d-15(e).

Based on our management's evaluation (with the participation of our Principal Executive and Financial Officer), as of the end of the period covered by this report, our Principal Executive and Financial Officer has concluded that our disclosure controls and procedures were effective as of May 31, 2021 to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to our management, including our Principal Executive and Financial Officer as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Principal Executive and Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of May 31, 2021 based on the guidelines established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission's 2013 framework. Our internal control over financial reporting includes policies and procedures that provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. GAAP.

Based on the results of our evaluation, our management concluded that our internal control over financial reporting was effective as of May 31, 2021. We reviewed the results of management's assessment with our Finance and Audit Committee.

The effectiveness of our internal control over financial reporting as of May 31, 2021 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included in Part IV, Item 15 of this Annual Report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Principal Executive and Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Pursuant to General Instruction G(3) of Form 10-K, the information required by this item relating to our executive officers is included under the caption “Executive Officers of the Registrant” in Part I of this Annual Report.

The other information required by this Item 10 is incorporated herein by reference from the information contained in our Proxy Statement to be filed with the U.S. Securities and Exchange Commission in connection with the solicitation of proxies for our 2021 Annual Meeting of Stockholders (2021 Proxy Statement) under the sections entitled “Board of Directors—Nominees for Directors,” “Board of Directors—Committees, Membership and Meetings,” “Board of Directors—Committees, Membership and Meetings—The Finance and Audit Committee,” “Corporate Governance—Employee Matters—Code of Conduct,” and “Delinquent Section 16(a) Reports.”

Item 11. Executive Compensation

The information required by this Item 11 is incorporated herein by reference from the information to be contained in our 2021 Proxy Statement under the sections entitled “Board of Directors—Director Compensation,” and “Executive Compensation.”

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item 12 is incorporated herein by reference from the information to be contained in our 2021 Proxy Statement under the sections entitled “Security Ownership of Certain Beneficial Owners and Management” and “Executive Compensation—Equity Compensation Plan Information.”

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item 13 is incorporated herein by reference from the information to be contained in our 2021 Proxy Statement under the sections entitled “Corporate Governance—Board of Directors and Director Independence” and “Transactions with Related Persons.”

Item 14. Principal Accountant Fees and Services

The information required by this Item 14 is incorporated herein by reference from the information to be contained in our 2021 Proxy Statement under the section entitled “Ratification of Selection of Independent Registered Public Accounting Firm.”

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. Financial Statements

The following financial statements are filed as a part of this report:

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Reports of Independent Registered Public Accounting Firm	63
Consolidated Financial Statements:	
Balance Sheets as of May 31, 2021 and 2020	66
Statements of Operations for the years ended May 31, 2021, 2020 and 2019	67
Statements of Comprehensive Income for the years ended May 31, 2021, 2020 and 2019	68
Statements of Equity for the years ended May 31, 2021, 2020 and 2019	69
Statements of Cash Flows for the years ended May 31, 2021, 2020 and 2019	70
Notes to Consolidated Financial Statements	71

2. Financial Statement Schedules

The following financial statement schedule is filed as a part of this report:

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Schedule II. Valuation and Qualifying Accounts	111

All other schedules are omitted because they are not required or the required information is shown in the financial statements or notes thereto.

(b) Exhibits

The information required by this Item is set forth in the Index of Exhibits that is after Item 16 of this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Oracle Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Oracle Corporation (the Company) as of May 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended May 31, 2021, the related notes and the financial statement schedule listed in the Index at Item 15(a) 2 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at May 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended May 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of May 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated June 21, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Legal Contingencies

Description of the matter

As discussed in Note 17 of the financial statements, the Company is involved in various claims and legal proceedings. The Company accrues a liability for an estimated loss if the potential loss from any claim or legal proceeding is considered probable, and the amount can be reasonably estimated. For purposes of disclosure, the Company also performs an assessment of the materiality of legal contingencies where a loss is either reasonably possible or it is reasonably possible that an exposure to loss exists in excess of the amount accrued.

The audit of the Company's accounting for and disclosure of legal contingencies was highly subjective and required significant judgment in assessing the Company's evaluation of the probability of a loss, and the estimated amount or range of loss. These judgments were impacted by uncertainties related to the ultimate outcome of the legal contingencies, the status of the litigation or the appeals processes, and the status of any settlement discussions associated with the legal contingencies.

How we addressed the matter in our audit We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls over the identification and evaluation of these matters, including controls over management’s assessment of the probability of incurrence of a loss and whether the loss or range of loss was reasonably estimable.

Our substantive audit procedures, among others, included gaining an understanding of the status of ongoing lawsuits, reviewing letters addressing the matters from internal and external legal counsel, meetings with internal legal counsel to discuss the allegations, and obtaining a representation letter from management on these matters. We also evaluated the Company’s disclosures in relation to these matters.

Income Tax – Uncertain tax positions

Description of the matter As discussed in Note 14 of the financial statements, the Company recognizes uncertain tax positions and measures unrecognized tax benefits related to various domestic and foreign matters. As of May 31, 2021, the total amount of unrecognized tax benefits was \$6.9 billion, of which \$4.4 billion, if recognized would impact the Company’s effective tax rate. The Company uses significant judgment in the accounting for uncertain tax positions including the interpretation and application of tax laws and legal rulings in various jurisdictions.

Auditing management’s evaluation of whether an uncertain tax position is more likely than not to be sustained and the measurement of the benefit of various tax positions was complex, involved significant judgment, and was based on interpretations of tax laws and legal rulings.

How we addressed the matter in our audit We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls over management’s process for interpretation of tax laws and legal rulings, as well as development of the assumptions and estimates used in the measurement of uncertain tax positions.

To test management’s assessment of which uncertain tax positions are more likely than not to be sustained, we performed audit procedures that included, among others reading and evaluating management’s assumptions and analysis, including any communications with taxing authorities that detailed the basis and technical merits of the uncertain tax positions. We involved our tax subject matter professionals in assessing the technical merits of certain tax positions based on our knowledge of relevant tax laws and experience with related taxing authorities.

In addition, we also evaluated the Company’s disclosures in relation to these matters included in Note 14 of the financial statements.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2002.

San Jose, California

June 21, 2021

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Oracle Corporation

Opinion on Internal Control Over Financial Reporting

We have audited Oracle Corporation's internal control over financial reporting as of May 31, 2021, based on criteria established in Internal Control— Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Oracle Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of May 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Oracle Corporation as of May 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended May 31, 2021, the related notes, and the financial statement schedule listed in the Index at Item 15(a) 2 and our report dated June 21, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

San Jose, California

June 21, 2021

ORACLE CORPORATION
CONSOLIDATED BALANCE SHEETS
As of May 31, 2021 and 2020

(in millions, except per share data)	May 31,	
	2021	2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 30,098	\$ 37,239
Marketable securities	16,456	5,818
Trade receivables, net of allowances for doubtful accounts of \$373 and \$409 as of May 31, 2021 and May 31, 2020, respectively	5,409	5,551
Prepaid expenses and other current assets	3,604	3,532
Total current assets	55,567	52,140
Non-current assets:		
Property, plant and equipment, net	7,049	6,244
Intangible assets, net	2,430	3,738
Goodwill, net	43,935	43,769
Deferred tax assets	13,636	3,252
Other non-current assets	8,490	6,295
Total non-current assets	75,540	63,298
Total assets	\$ 131,107	\$ 115,438
LIABILITIES AND EQUITY		
Current liabilities:		
Notes payable, current	\$ 8,250	\$ 2,371
Accounts payable	745	637
Accrued compensation and related benefits	2,017	1,453
Deferred revenues	8,775	8,002
Other current liabilities	4,377	4,737
Total current liabilities	24,164	17,200
Non-current liabilities:		
Notes payable and other borrowings, non-current	75,995	69,226
Income taxes payable	12,345	12,463
Deferred tax liabilities	7,864	41
Other non-current liabilities	4,787	3,791
Total non-current liabilities	100,991	85,521
Commitments and contingencies		
Oracle Corporation stockholders' equity:		
Preferred stock, \$0.01 par value—authorized: 1.0 shares; outstanding: none	—	—
Common stock, \$0.01 par value and additional paid in capital—authorized: 11,000 shares; outstanding: 2,814 shares and 3,067 shares as of May 31, 2021 and 2020, respectively	26,533	26,486
Accumulated deficit	(20,120)	(12,696)
Accumulated other comprehensive loss	(1,175)	(1,716)
Total Oracle Corporation stockholders' equity	5,238	12,074
Noncontrolling interests	714	643
Total equity	5,952	12,717
Total liabilities and equity	\$ 131,107	\$ 115,438

See notes to consolidated financial statements.

ORACLE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
For the Years Ended May 31, 2021, 2020 and 2019

(in millions, except per share data)	Year Ended May 31,		
	2021	2020	2019
Revenues:			
Cloud services and license support	\$ 28,700	\$ 27,392	\$ 26,707
Cloud license and on-premise license	5,399	5,127	5,855
Hardware	3,359	3,443	3,704
Services	3,021	3,106	3,240
Total revenues	40,479	39,068	39,506
Operating expenses:			
Cloud services and license support(1)	4,353	4,006	3,782
Hardware(1)	972	1,116	1,360
Services	2,530	2,816	2,853
Sales and marketing(1)	7,682	8,094	8,509
Research and development	6,527	6,067	6,026
General and administrative	1,254	1,181	1,265
Amortization of intangible assets	1,379	1,586	1,689
Acquisition related and other	138	56	44
Restructuring	431	250	443
Total operating expenses	25,266	25,172	25,971
Operating income	15,213	13,896	13,535
Interest expense	(2,496)	(1,995)	(2,082)
Non-operating income, net	282	162	815
Income before benefit from (provision for) income taxes	12,999	12,063	12,268
Benefit from (provision for) income taxes	747	(1,928)	(1,185)
Net income	\$ 13,746	\$ 10,135	\$ 11,083
Earnings per share:			
Basic	\$ 4.67	\$ 3.16	\$ 3.05
Diluted	\$ 4.55	\$ 3.08	\$ 2.97
Weighted average common shares outstanding:			
Basic	2,945	3,211	3,634
Diluted	3,022	3,294	3,732

(1) Exclusive of amortization of intangible assets, which is shown separately.

See notes to consolidated financial statements.

ORACLE CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended May 31, 2021, 2020 and 2019

(in millions)	Year Ended May 31,		
	2021	2020	2019
Net income	\$ 13,746	\$ 10,135	\$ 11,083
Other comprehensive income (loss), net of tax:			
Net foreign currency translation gains (losses)	479	(78)	(149)
Net unrealized gains (losses) on defined benefit plans	71	(79)	(70)
Net unrealized (losses) gains on marketable securities	(1)	91	332
Net unrealized losses on cash flow hedges	(8)	(22)	(52)
Total other comprehensive income (loss), net	541	(88)	61
Comprehensive income	\$ 14,287	\$ 10,047	\$ 11,144

See notes to consolidated financial statements.

ORACLE CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY
For the Years Ended May 31, 2021, 2020 and 2019

(in millions, except per share data)	Common Stock and Additional Paid in Capital		Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Oracle Corporation Stockholders' Equity	Noncontrolling Interests	Total Equity
	Number of Shares	Amount					
Balances as of May 31, 2018	3,997	\$ 28,950	\$ 19,111	\$ (1,689)	\$ 46,372	\$ 501	\$ 46,873
Cumulative-effect of accounting change	—	—	(110)	—	(110)	—	(110)
Common stock issued under stock-based compensation plans	103	2,033	—	—	2,033	—	2,033
Common stock issued under stock purchase plans	2	122	—	—	122	—	122
Assumption of stock-based compensation plan awards in connection with acquisitions	—	8	—	—	8	—	8
Stock-based compensation	—	1,653	—	—	1,653	—	1,653
Repurchases of common stock	(734)	(5,354)	(30,646)	—	(36,000)	—	(36,000)
Shares repurchased for tax withholdings upon vesting of restricted stock-based awards	(9)	(503)	—	—	(503)	—	(503)
Cash dividends declared (\$0.81 per share)	—	—	(2,932)	—	(2,932)	—	(2,932)
Other, net	—	—	(2)	—	(2)	(69)	(71)
Other comprehensive income (loss), net	—	—	—	61	61	(6)	55
Net income	—	—	11,083	—	11,083	152	11,235
Balances as of May 31, 2019	3,359	26,909	(3,496)	(1,628)	21,785	578	22,363
Common stock issued under stock-based compensation plans	78	1,470	—	—	1,470	—	1,470
Common stock issued under stock purchase plans	2	118	—	—	118	—	118
Stock-based compensation	—	1,590	—	—	1,590	—	1,590
Repurchases of common stock	(361)	(2,932)	(16,268)	—	(19,200)	—	(19,200)
Shares repurchased for tax withholdings upon vesting of restricted stock-based awards	(11)	(665)	—	—	(665)	—	(665)
Cash dividends declared (\$0.96 per share)	—	—	(3,070)	—	(3,070)	—	(3,070)
Other, net	—	(4)	3	—	(1)	(94)	(95)
Other comprehensive loss, net	—	—	—	(88)	(88)	(5)	(93)
Net income	—	—	10,135	—	10,135	164	10,299
Balances as of May 31, 2020	3,067	26,486	(12,696)	(1,716)	12,074	643	12,717
Common stock issued under stock-based compensation plans	86	1,658	—	—	1,658	—	1,658
Common stock issued under stock purchase plans	2	128	—	—	128	—	128
Stock-based compensation	—	1,837	—	—	1,837	—	1,837
Repurchases of common stock	(329)	(2,893)	(18,107)	—	(21,000)	—	(21,000)
Shares repurchased for tax withholdings upon vesting of restricted stock-based awards	(12)	(666)	—	—	(666)	—	(666)
Cash dividends declared (\$1.04 per share)	—	—	(3,063)	—	(3,063)	—	(3,063)
Other, net	—	(17)	—	—	(17)	(111)	(128)
Other comprehensive income, net	—	—	—	541	541	2	543
Net income	—	—	13,746	—	13,746	180	13,926
Balances as of May 31, 2021	2,814	\$ 26,533	\$ (20,120)	\$ (1,175)	\$ 5,238	\$ 714	\$ 5,952

See notes to consolidated financial statements.

ORACLE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended May 31, 2021, 2020 and 2019

(in millions)	Year Ended May 31,		
	2021	2020	2019
Cash flows from operating activities:			
Net income	\$ 13,746	\$ 10,135	\$ 11,083
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	1,537	1,382	1,230
Amortization of intangible assets	1,379	1,586	1,689
Allowances for doubtful accounts receivable	192	245	190
Deferred income taxes	(2,425)	(851)	(1,191)
Stock-based compensation	1,837	1,590	1,653
Other, net	(39)	239	157
Changes in operating assets and liabilities, net of effects from acquisitions:			
Decrease (increase) in trade receivables, net	141	(690)	(272)
Decrease in prepaid expenses and other assets	622	665	261
Decrease in accounts payable and other liabilities	(23)	(496)	(102)
Decrease in income taxes payable	(1,485)	(444)	(453)
Increase (decrease) in deferred revenues	405	(222)	306
Net cash provided by operating activities	<u>15,887</u>	<u>13,139</u>	<u>14,551</u>
Cash flows from investing activities:			
Purchases of marketable securities and other investments	(37,982)	(5,731)	(1,400)
Proceeds from maturities of marketable securities	26,024	4,687	12,681
Proceeds from sales of marketable securities and other investments	1,036	12,575	17,299
Acquisitions, net of cash acquired	(41)	(124)	(363)
Capital expenditures	(2,135)	(1,564)	(1,660)
Net cash (used for) provided by investing activities	<u>(13,098)</u>	<u>9,843</u>	<u>26,557</u>
Cash flows from financing activities:			
Payments for repurchases of common stock	(20,934)	(19,240)	(36,140)
Proceeds from issuances of common stock	1,786	1,588	2,155
Shares repurchased for tax withholdings upon vesting of restricted stock-based awards	(666)	(665)	(503)
Payments of dividends to stockholders	(3,063)	(3,070)	(2,932)
Proceeds from borrowings, net of issuance costs	14,934	19,888	—
Repayments of borrowings	(2,631)	(4,500)	(4,500)
Other, net	196	(133)	(136)
Net cash used for financing activities	<u>(10,378)</u>	<u>(6,132)</u>	<u>(42,056)</u>
Effect of exchange rate changes on cash and cash equivalents	448	(125)	(158)
Net (decrease) increase in cash and cash equivalents	(7,141)	16,725	(1,106)
Cash and cash equivalents at beginning of period	37,239	20,514	21,620
Cash and cash equivalents at end of period	<u>\$ 30,098</u>	<u>\$ 37,239</u>	<u>\$ 20,514</u>
Non-cash investing and financing activities:			
Fair values of stock awards assumed in connection with acquisitions	\$ —	\$ —	\$ 8
Change in unsettled repurchases of common stock	\$ 66	\$ (40)	\$ (140)
Supplemental schedule of cash flow data:			
Cash paid for income taxes	\$ 3,189	\$ 3,218	\$ 2,901
Cash paid for interest	\$ 2,408	\$ 1,972	\$ 2,059

See notes to consolidated financial statements.

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
May 31, 2021

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Oracle Corporation provides products and services that substantially address all aspects of enterprise information technology (IT) environments, including applications and infrastructure technologies. We deliver our products and services to customers worldwide through a variety of flexible and interoperable IT deployment models, including cloud-based, Cloud@Customer (an instance of Oracle Cloud in the customer's own data center), on premise and hybrid models. Oracle Cloud Software-as-a-Service and Infrastructure-as-a-Service (SaaS and IaaS, respectively, and collectively, Oracle Cloud Services) offerings provide a comprehensive and integrated stack of applications and infrastructure services delivered via cloud-based deployment models that Oracle develops, deploys, hosts, upgrades, supports and manages for the customer. Customers may also elect to purchase Oracle software licenses and hardware products and related services to manage their own cloud-based or on-premise IT environments. Customers that purchase our software licenses may elect to purchase license support contracts, which provide our customers with rights to unspecified license upgrades and maintenance releases issued during the support period as well as technical support assistance. Customers that purchase our hardware products may elect to purchase hardware support contracts, which provide customers with software updates and can include product repairs, maintenance services, and technical support services. We also offer customers a broad set of services offerings that are designed to improve customer utilization of their investments in Oracle applications and infrastructure technologies.

Oracle Corporation conducts business globally and was incorporated in 2005 as a Delaware corporation and is the successor to operations originally begun in June 1977.

Basis of Financial Statements

The consolidated financial statements included our accounts and the accounts of our wholly- and majority-owned subsidiaries. Noncontrolling interest positions of certain of our consolidated entities are reported as a separate component of consolidated equity from the equity attributable to Oracle's stockholders for all periods presented. The noncontrolling interests in our net income were not significant to our consolidated results for the periods presented and therefore have not been presented separately and instead are included as a component of non-operating income, net in our consolidated statements of operations. Intercompany transactions and balances have been eliminated. Certain prior year balances have been reclassified to conform to the current year presentation. Such reclassifications did not affect total revenues, operating income or net income.

The comparability of our operating results during fiscal 2021 compared to the corresponding prior year periods, and of our consolidated balance sheets as of May 31, 2021 and 2020, was impacted by the income tax related effects of a partial realignment of our legal entity structure that resulted in the intra-group transfer of certain intellectual property rights. During fiscal 2021, we recognized a benefit from income taxes primarily due to the result of a total net tax benefit of \$2.3 billion that was recorded as a deferred tax asset of \$11.3 billion and a non-current deferred tax liability of \$9.1 billion. The deferred tax asset was recognized as a result of the book and tax basis difference on the intra-group transfer of certain intellectual property and the realignment of certain legal entities, partially offset by a Global Intangible Low-Taxed Income (GILTI) non-current deferred tax liability. The tax amortization related to the intellectual property deferred tax asset will be recognized in future periods and any unused amortization in a particular year will carry forward indefinitely. The \$11.3 billion deferred tax asset was measured based on the tax rate at which it is expected to reverse in the future. We expect to realize the net deferred tax asset recorded as a result of the intangible property transfer and will periodically assess the realizability of the net deferred tax asset. Refer to Note 14 below for additional information regarding our income taxes.

In fiscal 2021, we adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* and subsequent amendments to the initial guidance; and ASU 2020-01, *Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint*

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

Ventures (Topic 323), and Derivatives and Hedging (Topic 815); neither of which had a material impact to our consolidated financial statements for the year ended May 31, 2021.

Use of Estimates

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as set forth in the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC), and we consider the various staff accounting bulletins and other applicable guidance issued by the SEC. These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. To the extent that there are differences between these estimates, judgments or assumptions and actual results, our consolidated financial statements will be affected. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and does not require management's judgment in its application. There are also areas in which management's judgment in selecting among available alternatives would not produce a materially different result.

Revenue Recognition

Our sources of revenues include:

- cloud and license revenues, which include the sale of: cloud services and license support; and cloud licenses and on-premise licenses, which typically represent perpetual software licenses purchased by customers for use in both cloud and on-premise IT environments;
- hardware revenues, which include the sale of hardware products, including Oracle Engineered Systems, servers, and storage products, and industry-specific hardware; and hardware support revenues; and
- services revenues, which are earned from providing cloud-, license- and hardware-related services including consulting and advanced customer services.

License support revenues are typically generated through the sale of license support contracts related to cloud license and on-premise licenses purchased by our customers at their option. License support contracts provide customers with rights to unspecified software product upgrades, maintenance releases and patches released during the term of the support period and include internet access to technical content, as well as internet and telephone access to technical support personnel. License support contracts are generally priced as a percentage of the net cloud license and on-premise license fees. Substantially all of our customers elect to purchase and renew their license support contracts annually.

Cloud services revenues include revenues from Oracle Cloud Services offerings, which deliver applications and infrastructure technologies via cloud-based deployment models that we develop functionality for, provide unspecified updates and enhancements for, deploy, host, manage, upgrade and support and that customers access by entering into a subscription agreement with us for a stated period.

Cloud license and on-premise license revenues primarily represent amounts earned from granting customers perpetual licenses to use our database, middleware, application and industry-specific software products, which our customers use for cloud-based, on-premise and other IT environments. The vast majority of our cloud license and on-premise license arrangements include license support contracts, which are entered into at the customer's option.

Revenues from the sale of hardware products represent amounts earned primarily from the sale of our Oracle Engineered Systems, computer servers, storage, and industry-specific hardware. Our hardware support offerings

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

generally provide customers with software updates for the software components that are essential to the functionality of the hardware products purchased and can also include product repairs, maintenance services and technical support services. Hardware support contracts are generally priced as a percentage of the net hardware products fees.

Our services are offered to customers as standalone arrangements or as a part of arrangements to customers buying other products and services. Our consulting services are designed to help our customers to, among others, deploy, architect, integrate, upgrade and secure their investments in Oracle applications and infrastructure technologies. Our advanced customer services are designed to provide supplemental support services, performance and higher availability for Oracle products and services.

We apply the provisions of ASC 606, *Revenue From Contracts with Customers* (ASC 606) as a single standard for revenue recognition that applies to all of our cloud, license, hardware and services arrangements and generally require revenues to be recognized upon the transfer of control of promised goods or services provided to our customers, reflecting the amount of consideration we expect to receive for those goods or services. Pursuant to ASC 606, revenues are recognized upon the application of the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenues when, or as, the contractual performance obligations are satisfied.

Our customers that contract with us for the provision of cloud services, software, hardware or other services include businesses of many sizes, government agencies, educational institutions and our channel partners, which include resellers and system integrators.

The timing of revenue recognition may differ from the timing of invoicing to our customers. We record an unbilled receivable, which is included within accounts receivable on our consolidated balance sheets, when revenue is recognized prior to invoicing. We record deferred revenues on our consolidated balance sheets when revenues are to be recognized subsequent to cash collection for an invoice. Our standard payment terms are generally net 30 days but may vary. Invoices for cloud license and on-premise licenses and hardware products are generally issued when the license is made available for customer use or upon delivery to the customer of the hardware product. Invoices for license support and hardware support contracts are generally invoiced annually in advance. Cloud SaaS and IaaS contracts are generally invoiced annually, quarterly or monthly in advance. Services are generally invoiced in advance or as the services are performed. Most contracts that contain a financing component are contracts financed through our Oracle financing division. The transaction price for a contract that is financed through our Oracle financing division is adjusted to reflect the time value of money and interest revenue is recorded as a component of non-operating income, net within our consolidated statements of operations based on market rates in the country in which the transaction is being financed.

Our revenue arrangements generally include standard warranty or service level provisions that our arrangements will perform and operate in all material respects as defined in the respective agreements, the financial impacts of which have historically been and are expected to continue to be insignificant. Our arrangements generally do not include a general right of return relative to the delivered products or services. We recognize revenues net of any taxes collected from customers, which are subsequently remitted to governmental authorities.

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

Revenue Recognition for Cloud Services

Revenues from cloud services provided on a subscription basis are generally recognized ratably over the contractual period that the cloud services are delivered, beginning on the date our service is made available to a customer. We recognize revenue ratably because the customer receives and consumes the benefits of the cloud services throughout the contract period. Revenues from cloud services that are provided on a consumption basis, such as metered services, are generally recognized based on the utilization of the services by the customer.

Revenue Recognition for License Support and Hardware Support

Oracle's primary performance obligations with respect to license support contracts and hardware support contracts are to provide customers with technical support as needed and unspecified software product upgrades, maintenance releases and patches during the term of the support period, if and when they are available, and hardware product repairs, as applicable. Oracle is obligated to make the license and hardware support services available continuously throughout the contract period. Therefore, revenues for license support contracts and hardware support contracts are generally recognized ratably over the contractual periods that the support services are provided.

Revenue Recognition for Cloud Licenses and On-Premise Licenses

Revenues from distinct cloud license and on-premise license performance obligations are generally recognized upfront at the point in time when the software is made available to the customer to download and use. Revenues from usage-based royalty arrangements for distinct cloud licenses and on-premise licenses are recognized at the point in time when the software end user usage occurs. For usage-based royalty arrangements with a fixed minimum guarantee amount, the minimum amount is generally recognized upfront when the software is made available to the royalty customer.

Revenue Recognition for Hardware Products

The hardware product and related software, such as an operating system or firmware, are highly interdependent and interrelated and are accounted for as a combined performance obligation. The revenues for this combined performance obligation are generally recognized at the point in time that the hardware product is delivered and ownership is transferred to the customer.

Revenue Recognition for Services

Services revenues are generally recognized over time as the services are performed. Revenues for fixed price services are generally recognized over time applying input methods to estimate progress to completion. Revenues for consumption-based services are generally recognized as the services are performed.

Allocation of the Transaction Price for Contracts that have Multiple Performance Obligations

Many of our contracts include multiple performance obligations. Judgment is required in determining whether each performance obligation is distinct. Oracle products and services generally do not require a significant amount of integration or interdependency; therefore, our products and services are generally not combined. We allocate the transaction price for each contract to each performance obligation based on the relative standalone selling price (SSP) for each performance obligation within each contract.

We use judgment in determining the SSP for products and services. For substantially all performance obligations except cloud licenses and on-premise licenses, we are able to establish the SSP based on the observable prices of products or services sold separately in comparable circumstances to similar customers. We typically establish an SSP range for our products and services which is reassessed on a periodic basis or when facts and circumstances change. Our cloud licenses and on-premise licenses have not historically been sold on a standalone basis, as the

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

vast majority of all customers elect to purchase license support contracts at the time of a cloud license and on-premise license purchase. License support contracts are generally priced as a percentage of the net fees paid by the customer to access the license. We are unable to establish the SSP for our cloud licenses and on-premise licenses based on observable prices given the same products are sold for a broad range of amounts (that is, the selling price is highly variable) and a representative SSP is not discernible from past transactions or other observable evidence. As a result, the SSP for a cloud license and an on-premise license included in a contract with multiple performance obligations is generally determined by applying a residual approach whereby all other performance obligations within a contract are first allocated a portion of the transaction price based upon their respective SSPs, with any residual amount of transaction price allocated to cloud license and on-premise license revenues.

Remaining Performance Obligations from Customer Contracts

Trade receivables, net of allowance for doubtful accounts, and deferred revenues are reported net of related uncollected deferred revenues in our consolidated balance sheets as of May 31, 2021 and 2020. The amount of revenues recognized during the year ended May 31, 2021 and 2020, respectively, that were included in the opening deferred revenues balance as of May 31, 2020 and 2019, respectively, was approximately \$8.0 billion and \$8.4 billion, respectively. Revenues recognized from performance obligations satisfied in prior periods and impairment losses recognized on our receivables were immaterial during each year ended May 31, 2021, 2020 and 2019.

Remaining performance obligations represent contracted revenues that had not yet been recognized, and include deferred revenues; invoices that have been issued to customers but were uncollected and have not been recognized as revenues; and amounts that will be invoiced and recognized as revenues in future periods. The volumes and amounts of customer contracts that we book and total revenues that we recognize are impacted by a variety of seasonal factors. In each fiscal year, the amounts and volumes of contracting activity and our total revenues are typically highest in our fourth fiscal quarter and lowest in our first fiscal quarter. These seasonal impacts influence how our remaining performance obligations change over time and, combined with foreign exchange rate fluctuations and other factors, influence the amount of remaining performance obligations that we report at a point in time. As of May 31, 2021, our remaining performance obligations were \$41.3 billion, approximately 60% of which we expect to recognize as revenues over the next twelve months, 29% over the subsequent month 13 to month 36 and the remainder thereafter.

Sales of Financing Receivables

We offer certain of our customers the option to acquire certain of our cloud and license, hardware and services offerings through separate long-term payment contracts. We generally sell these contracts that we have financed for our customers on a non-recourse basis to financial institutions within 90 days of the contracts' dates of execution. We record the transfers of amounts due from customers to financial institutions as sales of financing receivables because we are considered to have surrendered control of these financing receivables. During fiscal 2021, 2020 and 2019, \$1.7 billion, \$1.5 billion and \$1.8 billion, respectively, of our financing receivables were sold to financial institutions.

Business Combinations

We apply the provisions of ASC 805, *Business Combinations* (ASC 805), in accounting for our acquisitions. ASC 805 requires that we evaluate whether a transaction pertains to an acquisition of assets, or to an acquisition of a business. A business is defined as an integrated set of assets and activities that is capable of being conducted and managed for the purpose of providing a return to investors. Asset acquisitions are accounted for by allocating the cost of the acquisition to the individual assets and liabilities assumed on a relative fair value basis; whereas the acquisition of a business requires us to recognize separately from goodwill the assets acquired and the liabilities

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

assumed at the acquisition date fair values. Goodwill as of the business acquisition date is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the business acquisition date as well as any contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the business acquisition date, we record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of a business acquisition's measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of operations. Costs to exit or restructure certain activities of an acquired company or our internal operations are accounted for as termination and exit costs pursuant to ASC 420, *Exit or Disposal Cost Obligations* (ASC 420), and are accounted for separately from the business combination. A liability for costs associated with an exit or disposal activity is recognized and measured at its fair value in our consolidated statement of operations in the period in which the liability is incurred. Prior to June 1, 2019, we accounted for operating lease abandonment pursuant to the provisions of ASC 420. Effective June 1, 2019, abandoned operating leases related to an acquired company or our internal operations are accounted for as Right-of-Use (ROU) asset impairment charges pursuant to ASC 842, *Leases* (ASC 842) and are accounted for separately from the business combination. In all periods presented, when estimating the asset impairment charges, assumptions were applied regarding estimated sub-lease payments to be received, which can differ from actual results. This may require us to revise our initial estimates which may affect our results of operations and financial position in the period the revision is made.

For a given business acquisition, we may identify certain pre-acquisition contingencies as of the acquisition date and may extend our review and evaluation of these pre-acquisition contingencies throughout the measurement period in order to obtain sufficient information to assess whether we include these contingencies as a part of the fair value estimates of assets acquired and liabilities assumed and, if so, to determine their estimated amounts. If we cannot reasonably determine the fair value of a non-income tax related pre-acquisition contingency by the end of the measurement period, which is generally the case given the nature of such matters, we will recognize an asset or a liability for such pre-acquisition contingency if: (1) it is probable that an asset existed or a liability had been incurred at the business acquisition date and (2) the amount of the asset or liability can be reasonably estimated. Subsequent to the measurement period or final determination of the net asset values for the business combination, whichever comes first, changes in our estimates of such contingencies will affect earnings and could have a material effect on our results of operations and financial position.

In addition, uncertain tax positions and tax related valuation allowances assumed in a business combination are initially estimated as of the acquisition date. We reevaluate these items quarterly based upon facts and circumstances that existed as of the business acquisition date with any adjustments to our preliminary estimates being recorded to goodwill if identified within the measurement period. Subsequent to the measurement period or our final determination of the tax allowance's or contingency's estimated value, whichever comes first, changes to these uncertain tax positions and tax related valuation allowances will affect our provision for income taxes in our consolidated statement of operations and could have a material impact on our results of operations and financial position.

Marketable and Non-Marketable Securities

In accordance with ASC 320, *Investments—Debt Securities*, and based on our intentions regarding these instruments, we classify substantially all of our marketable debt securities as available-for-sale. We carry these securities at fair value, and report the unrealized gains and losses, net of taxes, as a component of stockholders' equity, except for any unrealized losses determined to be related to credit losses, which we record within non-operating income, net in the accompanying consolidated statements of operations. We periodically evaluate our investments to determine if impairment charges are required. Substantially all of our marketable debt securities

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investments are classified as current based on the nature of the investments and their availability for use in current operations.

Investments in equity securities, other than any equity method investments, are generally recorded at their fair values, if the fair values are readily determinable. Non-marketable equity securities where we do not have control of, nor significant influence in, the investee are recorded at cost, less any impairment, adjusted for observable price changes from orderly transactions for identical or similar investments of the same issuer with any gains or losses recorded as a component of non-operating income, net as of and for each reporting period. For investments through which we have significant influence in, but not control of, the investee, we account for such investments pursuant to the equity method of accounting whereby we record our proportionate share of the investee's earnings or losses, amortization of differences between our investment basis and the proportional book equity of the investee, and impairment, if any, as a component of non-operating income, net for each reporting period. Our non-marketable equity securities and related instruments totaled \$971 million and \$219 million as of May 31, 2021 and 2020, respectively, and are included either in other current assets or in other non-current assets in the accompanying consolidated balance sheets and are subject to periodic impairment reviews and adjustments for observable price changes from orderly transactions. Certain of the non-marketable equity securities held as of May 31, 2021 and 2020 were with a related party entity for which we follow the equity method of accounting. We are also a counterparty to certain options to acquire additional equity interests in that entity at various times through December 2023 and we could obtain control of that entity should such options be exercised.

Fair Values of Financial Instruments

We apply the provisions of ASC 820, *Fair Value Measurement* (ASC 820), to our assets and liabilities that we are required to measure at fair value pursuant to other accounting standards, including our investments in marketable debt and equity securities and our derivative financial instruments.

The additional disclosures regarding our fair value measurements are included in Note 4.

Allowances for Doubtful Accounts

We record allowances for doubtful accounts based upon a specific review of all significant outstanding invoices. For those invoices not specifically reviewed, provisions are provided at differing rates, based upon the age of the receivable, the collection history associated with the geographic region that the receivable was recorded in and current and expected future economic conditions. We write-off a receivable and charge it against its recorded allowance when we have exhausted our collection efforts without success.

Concentrations of Credit Risk

Financial instruments that are potentially subject to concentrations of credit risk consist primarily of cash and cash equivalents, marketable securities, derivatives and trade receivables. Our cash and cash equivalents are generally held with large, diverse financial institutions worldwide to reduce the amount of exposure to any single financial institution. Investment policies have been implemented that limit purchases of marketable debt securities to investment-grade securities. Our derivative contracts are transacted with various financial institutions with high credit standings and any exposure to counterparty credit-related losses in these contracts is largely mitigated with collateral security agreements that provide for collateral to be received or posted when the net fair values of these contracts fluctuate from contractually established thresholds. We generally do not require collateral to secure accounts receivable. The risk with respect to trade receivables is mitigated by credit evaluations we perform on our customers, the short duration of our payment terms for the significant majority of our customer contracts and by the diversification of our customer base. No single customer accounted for 10% or more of our total revenues in fiscal 2021, 2020 or 2019.

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We outsource the manufacturing, assembly and delivery of the substantial majority of our hardware products to a variety of companies, many of which are located outside the U.S. Further, we have simplified our supply chain processes by reducing the number of third-party manufacturing partners and the number of locations where these third-party manufacturers build our hardware products. Any inability of these third-party manufacturing partners to deliver the contracted services for our hardware products could adversely impact future operating results of our cloud and license and hardware businesses.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is computed using standard cost, which approximates actual cost, on a first-in, first-out basis. We evaluate our ending inventories for estimated excess quantities and obsolescence. This evaluation includes analysis of sales levels by product and projections of future demand within specific time horizons (generally six to nine months). Inventories in excess of future demand are written down and charged to hardware expenses. In addition, we assess the impact of changing technology to our inventories and we write down inventories that are considered obsolete. At the point of loss recognition, a new, lower-cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis. Inventories are included in prepaid expenses and other current assets in our consolidated balance sheets and totaled \$142 million and \$211 million at May 31, 2021 and 2020, respectively.

Other Receivables

Other receivables represent value-added tax and sales tax receivables associated with the sale of our products and services to third parties. Other receivables are included in prepaid expenses and other current assets in our consolidated balance sheets and totaled \$798 million and \$778 million at May 31, 2021 and 2020, respectively.

Deferred Sales Commissions

We defer sales commissions earned by our sales force that are considered to be incremental and recoverable costs of obtaining a cloud, license support and hardware support contract. Initial sales commissions for the majority of these aforementioned contracts are generally deferred and amortized on a straight-line basis over a period of benefit that we estimate to be four years. We determine the period of benefit by taking into consideration the historical and expected durations of our customer contracts, the expected useful lives of our technologies, and other factors. Sales commissions for renewal contracts relating to certain of our cloud-based arrangements are generally deferred and then amortized on a straight-line basis over the related contractual renewal period, which is generally one to three years. Amortization of deferred sales commissions is included as a component of sales and marketing expenses in our consolidated statements of operations and asset balances for deferred sales commissions are included in other current assets and other non-current assets in our consolidated balance sheets.

Property, Plant and Equipment

Property, plant and equipment are stated at the lower of cost or realizable value, net of accumulated depreciation. Depreciation is computed using the straight-line method based on estimated useful lives of the assets, which range from one to 40 years. Leasehold improvements are amortized over the lesser of the estimated useful lives of the improvements or the lease terms, as appropriate. Property, plant and equipment are periodically reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. We did not recognize any significant property impairment charges in fiscal 2021, 2020 or 2019.

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Goodwill, Intangible Assets and Impairment Assessments

Goodwill represents the excess of the purchase price in a business combination over the fair value of net tangible and intangible assets acquired. Intangible assets that are not considered to have an indefinite useful life are amortized over their useful lives, which generally range from one to 10 years. Each period we evaluate the estimated remaining useful lives of purchased intangible assets and whether events or changes in circumstances warrant a revision to the remaining periods of amortization.

The carrying amounts of our goodwill and intangible assets are periodically reviewed for impairment (at least annually for goodwill and indefinite lived intangible assets) and whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. When goodwill is assessed for impairment, we have the option to perform an assessment of qualitative factors of impairment (optional assessment) prior to necessitating a quantitative impairment test. Should the optional assessment be used for any given fiscal year, qualitative factors to consider for a reporting unit include: cost factors; financial performance; legal, regulatory, contractual, political, business, or other factors; entity specific factors; industry and market considerations; macroeconomic conditions; and other relevant events and factors affecting the reporting unit. If we determine in the qualitative assessment that it is more likely than not that the fair value of the reporting unit is less than its carrying value, a quantitative test is then performed. Otherwise, no further testing is required. For those reporting units tested using a quantitative approach, we compare the fair value of each reporting unit with the carrying amount of the reporting unit, including goodwill. To determine the fair value of each reporting unit we utilize estimates, judgments and assumptions including estimated future cash flows the reporting unit is expected to generate on a discounted basis; the discount rate used as a part of the discounted cash flow analysis; future economic and market conditions; and market comparables of peer companies, among others. If, as per the quantitative test, the estimated fair value of the reporting unit is less than the carrying amount of the reporting unit, impairment is recognized for the difference, limited to the amount of goodwill recognized for the reporting unit. Our most recent goodwill impairment analysis was performed on March 1, 2021 and did not result in a goodwill impairment charge. We did not recognize impairment charges in fiscal 2020 or 2019.

Recoverability of finite lived intangible assets is measured by comparison of the carrying amount of the asset to the future undiscounted cash flows the asset is expected to generate. Recoverability of indefinite lived intangible assets is measured by comparison of the carrying amount of the asset to its fair value. If the asset is considered to be impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. We did not recognize any intangible asset impairment charges in fiscal 2021, 2020 or 2019. At least annually, we assess the useful lives of our finite lived intangible assets and may adjust the period over which these assets are amortized whenever events or changes in circumstances indicate that a shorter amortization period is more reflective of the period in which these assets contribute to our cash flows.

Derivative Financial Instruments

During fiscal 2021, 2020 and 2019, we used derivative financial instruments to manage foreign currency and interest rate risks (see Note 10 below for additional information). We do not use derivative financial instruments for trading purposes. We account for these instruments in accordance with ASC 815, *Derivatives and Hedging* (ASC 815), which requires that every derivative instrument be recorded on the balance sheet as either an asset or liability measured at its fair value as of each reporting date. ASC 815 also requires that changes in our derivatives' fair values be recognized in earnings, unless specific hedge accounting and documentation criteria are met (i.e., the instruments are accounted for as hedges).

The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. For a derivative instrument designated as a fair value hedge, loss or gain attributable to the risk being hedged is recognized in earnings in the period of change with a corresponding earnings offset recorded to the item for which the risk is being hedged.

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For a derivative instrument designated as a cash flow hedge, each reporting period we record the change in fair value of the derivative to AOCL in our consolidated balance sheets, and the change is reclassified to earnings in the period the hedged item affects earnings.

Leases

Our accounting policy for leases pursuant to ASC 842, Leases, was prospectively effective for us as of June 1, 2019. We determine if an arrangement is a lease at its inception. Operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. We generally use our incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments, because the implicit rate of the lease is generally not known. ROU assets related to our operating lease liabilities are measured at lease inception based on the initial measurement of the lease liability, plus any prepaid lease payments and less any lease incentives. Our lease terms that are used in determining our operating lease liabilities at lease inception may include options to extend or terminate the leases when it is reasonably certain that we will exercise such options. We amortize our ROU assets as operating lease expense generally on a straight-line basis over the lease term and classify both the lease amortization and imputed interest as operating expenses. We have lease agreements with lease and non-lease components, and in such cases, we generally account for the components as a single lease component. We do not recognize lease assets and lease liabilities for any lease with an original lease term of less than one year.

ROU assets related to our operating leases are included in other non-current assets, short-term operating lease liabilities are included in other current liabilities, and long-term operating lease liabilities are included in other non-current liabilities in our consolidated balance sheets. Cash flow movements related to our lease activities are included in prepaid expenses and other assets and accounts payable and other liabilities as presented in net cash provided by operating activities in our consolidated statements of cash flows for the years ended May 31, 2021 and 2020. Note 11 below provides additional information regarding our leases.

Legal and Other Contingencies

We are currently involved in various claims and legal proceedings. Quarterly, we review the status of each significant matter and assess our potential financial exposure. Descriptions of our accounting policies associated with contingencies assumed as a part of a business combination are provided under “Business Combinations” above. For legal and other contingencies that are not a part of a business combination or related to income taxes, we accrue a liability for an estimated loss if the potential loss from any claim or legal proceeding is considered probable, and the amount can be reasonably estimated. Note 17 below provides additional information regarding certain of our legal contingencies.

Foreign Currency

We transact business in various foreign currencies. In general, the functional currency of a foreign operation is the local country’s currency. Consequently, revenues and expenses of operations outside the U.S. are translated into U.S. Dollars using weighted-average exchange rates while assets and liabilities of operations outside the U.S. are translated into U.S. Dollars using exchange rates at the balance sheet dates. The effects of foreign currency translation adjustments are substantially included in stockholders’ equity as a component of Accumulated Other Comprehensive Loss (AOCL) in the accompanying consolidated balance sheets and related periodic movements are summarized as a line item in our consolidated statements of comprehensive income. Net foreign exchange transaction losses included in non-operating income, net in the accompanying consolidated statements of operations were \$112 million, \$185 million and \$111 million in fiscal 2021, 2020 and 2019, respectively.

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Stock-Based Compensation

We account for share-based payments to employees, including grants of service-based restricted stock unit awards, service-based employee stock options, performance-based stock options (PSOs), and purchases under employee stock purchase plans in accordance with ASC 718, *Compensation—Stock Compensation*, which requires that share-based payments (to the extent they are compensatory) be recognized in our consolidated statements of operations based on their fair values. We account for forfeitures of stock-based awards as they occur.

For our service-based stock awards, we recognize stock-based compensation expense on a straight-line basis over the service period of the award, which is generally four years.

For our PSOs, we recognize stock-based compensation expense on a straight-line basis over the longer of the derived, explicit or implicit service period (which is the period of time expected for the performance condition to be satisfied). During our interim and annual reporting periods, stock-based compensation expense is recorded based on expected attainment of performance targets. Changes in our estimates of the expected attainment of performance targets that result in a change in the number of shares that are expected to vest, or changes in our estimates of implicit service periods, may cause the amount of stock-based compensation expense that we record for each interim reporting period to vary. Any changes in estimates that impact our expectation of the number of shares that are expected to vest are reflected in the amount of stock-based compensation expense that we recognize for each PSO tranche on a cumulative catch up basis during each interim reporting period in which such estimates are altered. Changes in estimates of the implicit service periods are recognized prospectively.

We record deferred tax assets for stock-based compensation awards that result in deductions on certain of our income tax returns based on the amount of stock-based compensation recognized in each reporting period and the fair values attributable to the vested portion of stock awards assumed in connection with a business combination at the statutory tax rates in the jurisdictions that we are able to recognize such tax deductions. The impacts of the actual tax deductions for stock-based awards that are realized in these jurisdictions are generally recognized in the reporting period that a restricted stock-based award vests or a stock option is exercised with any shortfall/windfall relative to the deferred tax asset established recorded as a discrete detriment/benefit to our provision for income taxes in such period. Note 13 below provides additional information regarding our stock-based compensation plans.

Advertising

Substantially all advertising costs are expensed as incurred. Advertising expenses, which were included within sales and marketing expenses, were \$202 million, \$178 million and \$169 million in fiscal 2021, 2020 and 2019, respectively.

Research and Development Costs and Software Development Costs

All research and development costs are expensed as incurred in accordance with ASC 730, *Research and Development*. Software development costs required to be capitalized under ASC 985-20, *Costs of Software to be Sold, Leased or Marketed*, and under ASC 350-40, *Internal-Use Software*, were not material to our consolidated financial statements in fiscal 2021, 2020 and 2019.

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Acquisition Related and Other Expenses

Acquisition related and other expenses primarily consist of personnel related costs for transitional and certain other employees, certain business combination adjustments including adjustments after the measurement period has ended, and certain other operating items, net.

(in millions)	Year Ended May 31,		
	2021	2020	2019
Transitional and other employee related costs	\$ 5	\$ 12	\$ 49
Business combination adjustments, net	4	(7)	(21)
Other, net	129	51	16
Total acquisition related and other expenses	\$ 138	\$ 56	\$ 44

Non-Operating Income, net

Non-operating income, net consists primarily of interest income, net foreign currency exchange losses, the noncontrolling interests in the net profits of our majority-owned subsidiaries (primarily Oracle Financial Services Software Limited and Oracle Corporation Japan) and net other income and expenses, including net realized gains and losses related to all of our investments, net unrealized gains and losses related to the small portion of our investment portfolio related to our deferred compensation plan, net unrealized gains and losses related to equity securities and non-service net periodic pension income and losses.

(in millions)	Year Ended May 31,		
	2021	2020	2019
Interest income	\$ 101	\$ 527	\$ 1,092
Foreign currency losses, net	(112)	(185)	(111)
Noncontrolling interests in income	(180)	(164)	(152)
Other, net	473	(16)	(14)
Total non-operating income, net	\$ 282	\$ 162	\$ 815

Non operating income net in fiscal 2021 included a \$299 million unrealized investment gain for certain non marketable securities due to an observable price change and a \$193 million unrealized investment gain associated with certain marketable equity securities that we held for certain employee benefit plans and classified as trading, and for which an equal and offsetting amount was recorded to our operating expenses during the same period.

Income Taxes

We account for income taxes in accordance with ASC 740, *Income Taxes* (ASC 740). Deferred income taxes are recorded for the expected tax consequences of temporary differences between the tax bases of assets and liabilities for financial reporting purposes and amounts recognized for income tax purposes. We record a valuation allowance to reduce our deferred tax assets to the amount of future tax benefit that is more likely than not to be realized.

A two-step approach is applied pursuant to ASC 740 in the recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained in an audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. We recognize interest and penalties related to uncertain tax positions in our provision for income taxes line of our consolidated statements of operations.

A description of our accounting policies associated with tax related contingencies and valuation allowances assumed as a part of a business combination is provided under "Business Combinations" above.

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Recent Accounting Pronouncements

Financial Instruments: In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (ASU 2020-04) and also issued subsequent amendments to the initial guidance (collectively, Topic 848). Topic 848 provides optional guidance for contract modifications and certain hedging relationships associated with the transition from reference rates that are expected to be discontinued. We will adopt Topic 848 when our relevant contracts are modified upon transition to alternative reference rates. We do not expect our adoption of Topic 848 will have a material impact on our consolidated financial statements.

Income Taxes: In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* (ASU 2019-12), which is intended to simplify various areas related to the accounting for income taxes and improve consistent application of Topic 740. ASU 2019-12 is effective for us beginning in fiscal 2022, and earlier adoption is permitted. We do not expect our adoption of ASU 2019-12 will have a material impact on our consolidated financial statements.

2. ACQUISITIONS**Fiscal 2021, 2020 and 2019 Acquisitions**

During fiscal 2021, 2020 and 2019, we acquired certain companies and purchased certain technology and development assets primarily to expand our products and services offerings. These acquisitions were not significant individually or in the aggregate to our consolidated financial statements.

3. CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES

Cash and cash equivalents primarily consist of deposits held at major banks, Tier-1 commercial paper debt securities, money market funds and other securities with original maturities of 90 days or less. Marketable securities consist of Tier-1 commercial paper debt securities, corporate debt securities and certain other securities.

The amortized principal amounts of our cash, cash equivalents and marketable securities approximated their fair values at May 31, 2021 and 2020. We use the specific identification method to determine any realized gains or losses from the sale of our marketable securities classified as available-for-sale. Such realized gains and losses were insignificant for fiscal 2021, 2020 and 2019. The following table summarizes the components of our cash equivalents and marketable securities held, substantially all of which were classified as available-for-sale:

(in millions)	May 31,	
	2021	2020
Money market funds	\$ 12,263	\$ 18,587
Corporate debt securities and other	9,470	6,625
Commercial paper debt securities	11,712	5,640
Total investments	\$ 33,445	\$ 30,852
Investments classified as cash equivalents	\$ 16,989	\$ 25,034
Investments classified as marketable securities	\$ 16,456	\$ 5,818

As of May 31, 2021 and 2020, substantially all of our marketable securities investments mature within one year. Our investment portfolio is subject to market risk due to changes in interest rates. As described above, we limit purchases of marketable debt securities to investment-grade securities, which have high credit ratings and also limit the amount of credit exposure to any one issuer. As stated in our investment policy, we are averse to principal loss and seek to preserve our invested funds by limiting default risk and market risk.

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Restricted cash that was included within cash and cash equivalents as presented within our consolidated balance sheets as of May 31, 2021 and 2020 and our consolidated statements of cash flows for the years ended May 31, 2021, 2020 and 2019 was nominal.

4. FAIR VALUE MEASUREMENTS

We perform fair value measurements in accordance with ASC 820. ASC 820 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at their fair values, we consider the principal or most advantageous market in which we would transact and consider assumptions that market participants would use when pricing the assets or liabilities, such as inherent risk, transfer restrictions and risk of nonperformance.

ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. An asset's or a liability's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 establishes three levels of inputs that may be used to measure fair value:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or
- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Our assets and liabilities measured at fair value on a recurring basis consisted of the following (Level 1 and Level 2 inputs are defined above):

(in millions)	May 31, 2021			May 31, 2020		
	Fair Value Measurements Using Input Types			Fair Value Measurements Using Input Types		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets:						
Money market funds	\$ 12,263	\$ —	\$ 12,263	\$ 18,587	\$ —	\$ 18,587
Corporate debt securities and other	1,250	8,220	9,470	4,036	2,589	6,625
Commercial paper debt securities	—	11,712	11,712	—	5,640	5,640
Derivative financial instruments	—	73	73	—	29	29
Total assets	\$ 13,513	\$ 20,005	\$ 33,518	\$ 22,623	\$ 8,258	\$ 30,881
Liabilities:						
Derivative financial instruments	\$ —	\$ —	\$ —	\$ —	\$ 268	\$ 268

Our marketable securities investments consist of money market funds, Tier 1 commercial paper debt securities, corporate debt securities and certain other securities. Marketable securities as presented per our consolidated balance sheets included securities with original maturities at the time of purchase greater than three months and the remainder of the securities were included in cash and cash equivalents. Our valuation techniques used to measure the fair values of our instruments that were classified as Level 1 in the table above were derived from quoted market prices and active markets for these instruments that exist. Our valuation techniques used to measure the fair values of Level 2 instruments listed in the table above were derived from the following: non-

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binding market consensus prices that were corroborated by observable market data, quoted market prices for similar instruments, or pricing models, such as discounted cash flow techniques, with all significant inputs derived from or corroborated by observable market data including LIBOR-based yield curves, among others.

Based on the trading prices of the \$84.2 billion and \$71.6 billion of senior notes and the related fair value hedges (refer to Notes 7 and 10 for additional information) that we had outstanding as of May 31, 2021 and 2020, respectively, the estimated fair values of the senior notes and the related fair value hedges using Level 2 inputs at May 31, 2021 and 2020 were \$89.6 billion and \$80.9 billion, respectively.

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net consisted of the following:

(Dollars in millions)	Estimated Useful Life	May 31,	
		2021	2020
Computer, network, machinery and equipment	1-5 years	\$ 9,508	\$ 7,757
Buildings and improvements	1-40 years	4,734	4,394
Furniture, fixtures and other	5-15 years	454	509
Land	—	871	885
Construction in progress	—	233	280
Total property, plant and equipment	1-40 years	15,800	13,825
Accumulated depreciation		(8,751)	(7,581)
Total property, plant and equipment, net		\$ 7,049	\$ 6,244

6. INTANGIBLE ASSETS AND GOODWILL

The changes in intangible assets for fiscal 2021 and the net book value of intangible assets as of May 31, 2021 and 2020 were as follows:

(Dollars in millions)	Intangible Assets, Gross				Accumulated Amortization			Intangible Assets, Net			Weighted Average Useful Life(2)
	May 31, 2020	Additions & Adjustments, net(1)	Retirements	May 31, 2021	May 31, 2020	Expense	Retirements	May 31, 2021	May 31, 2020	May 31, 2021	
Developed technology	\$ 4,471	\$ 56	\$ (290)	\$ 4,237	\$ (3,290)	\$ (621)	\$ 290	\$ (3,621)	\$ 1,181	\$ 616	3
Cloud services and license support agreements and related relationships	5,589	14	(106)	5,497	(3,271)	(669)	106	(3,834)	2,318	1,663	N.A.
Other	1,341	1	(73)	1,269	(1,102)	(89)	73	(1,118)	239	151	N.A.
Total intangible assets, net	\$ 11,401	\$ 71	\$ (469)	\$ 11,003	\$ (7,663)	\$ (1,379)	\$ 469	\$ (8,573)	\$ 3,738	\$ 2,430	

(1) Amounts also include any net changes in intangible asset balances for the periods presented that resulted from foreign currency translations.

(2) Represents weighted-average useful lives (in years) of intangible assets acquired during fiscal 2021.

As of May 31, 2021, estimated future amortization expenses related to intangible assets were as follows (in millions):

Fiscal 2022	\$ 1,122
Fiscal 2023	698
Fiscal 2024	453
Fiscal 2025	123
Fiscal 2026	24
Thereafter	10
Total intangible assets, net	\$ 2,430

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The changes in the carrying amounts of goodwill, net, which is generally not deductible for tax purposes, for our operating segments for fiscal 2021 and 2020 were as follows:

(in millions)	Cloud and License	Hardware	Services	Total Goodwill, net
Balances as of May 31, 2019	\$ 39,633	\$ 2,367	\$ 1,779	\$ 43,779
Goodwill from acquisitions	74	—	—	74
Goodwill adjustments, net ⁽¹⁾	(70)	—	(14)	(84)
Balances as of May 31, 2020	39,637	2,367	1,765	43,769
Goodwill adjustments, net ⁽¹⁾	149	—	17	166
Balances as of May 31, 2021	\$ 39,786	\$ 2,367	\$ 1,782	\$ 43,935

(1) Pursuant to our business combinations accounting policy, we recorded goodwill adjustments for the effects on goodwill of changes to net assets acquired during the period that such a change is identified, provided that any such change is within the measurement period (up to one year from the date of the acquisition). Amounts also include any changes in goodwill balances for the period presented that resulted from foreign currency translations.

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7. NOTES PAYABLE AND OTHER BORROWINGS

Notes payable and other borrowings consisted of the following:

(Dollars in millions)	Date of Issuance	May 31,			
		2021		2020	
		Amount	Effective Interest Rate	Amount	Effective Interest Rate
Fixed-rate senior notes:					
\$1,000, 3.875%, due July 2020	July 2010	\$ —	N.A.	\$ 1,000	3.93%
€1,250, 2.25%, due January 2021(1)(2)	July 2013	\$ —	N.A.	\$ 1,371	2.33%
\$1,500, 2.80%, due July 2021(3)	July 2014	\$ 1,500	2.82%	\$ 1,500	2.82%
\$4,250, 1.90%, due September 2021	July 2016	\$ 4,250	1.94%	\$ 4,250	1.94%
\$2,500, 2.50%, due May 2022	May 2015	\$ 2,500	2.56%	\$ 2,500	2.56%
\$2,500, 2.50%, due October 2022	October 2012	\$ 2,500	2.51%	\$ 2,500	2.51%
\$1,250, 2.625%, due February 2023	November 2017	\$ 1,250	2.64%	\$ 1,250	2.64%
\$1,000, 3.625%, due July 2023	July 2013	\$ 1,000	3.73%	\$ 1,000	3.73%
\$2,500, 2.40%, due September 2023	July 2016	\$ 2,500	2.40%	\$ 2,500	2.40%
\$2,000, 3.40%, due July 2024	July 2014	\$ 2,000	3.43%	\$ 2,000	3.43%
\$2,000, 2.95%, due November 2024	November 2017	\$ 2,000	2.98%	\$ 2,000	2.98%
\$3,500, 2.50%, due April 2025	April 2020	\$ 3,500	2.51%	\$ 3,500	2.51%
\$2,500, 2.95%, due May 2025	May 2015	\$ 2,500	3.00%	\$ 2,500	3.00%
€750, 3.125%, due July 2025(1)(4)	July 2013	\$ 916	3.17%	\$ 823	3.17%
\$2,750, 1.65%, due March 2026(5)	March 2021	\$ 2,750	1.66%	\$ —	N.A.
\$3,000, 2.65%, due July 2026	July 2016	\$ 3,000	2.69%	\$ 3,000	2.69%
\$2,250, 2.80%, due April 2027	April 2020	\$ 2,250	2.83%	\$ 2,250	2.83%
\$2,750, 3.25%, due November 2027	November 2017	\$ 2,750	3.26%	\$ 2,750	3.26%
\$2,000, 2.30%, due March 2028(5)	March 2021	\$ 2,000	2.34%	\$ —	N.A.
\$3,250, 2.95%, due April 2030	April 2020	\$ 3,250	2.96%	\$ 3,250	2.96%
\$500, 3.25%, due May 2030	May 2015	\$ 500	3.30%	\$ 500	3.30%
\$3,250, 2.875%, due March 2031(5)	March 2021	\$ 3,250	2.89%	\$ —	N.A.
\$1,750, 4.30%, due July 2034	July 2014	\$ 1,750	4.30%	\$ 1,750	4.30%
\$1,250, 3.90%, due May 2035	May 2015	\$ 1,250	3.95%	\$ 1,250	3.95%
\$1,250, 3.85%, due July 2036	July 2016	\$ 1,250	3.85%	\$ 1,250	3.85%
\$1,750, 3.80%, due November 2037	November 2017	\$ 1,750	3.83%	\$ 1,750	3.83%
\$1,250, 6.50%, due April 2038	April 2008	\$ 1,250	6.52%	\$ 1,250	6.52%
\$1,250, 6.125%, due July 2039	July 2009	\$ 1,250	6.19%	\$ 1,250	6.19%
\$3,000, 3.60%, due April 2040	April 2020	\$ 3,000	3.62%	\$ 3,000	3.62%
\$2,250, 5.375%, due July 2040	July 2010	\$ 2,250	5.45%	\$ 2,250	5.45%
\$2,250, 3.65%, due March 2041(5)	March 2021	\$ 2,250	3.70%	\$ —	N.A.
\$1,000, 4.50%, due July 2044	July 2014	\$ 1,000	4.50%	\$ 1,000	4.50%
\$2,000, 4.125%, due May 2045	May 2015	\$ 2,000	4.15%	\$ 2,000	4.15%
\$3,000, 4.00%, due July 2046	July 2016	\$ 3,000	4.00%	\$ 3,000	4.00%
\$2,250, 4.00%, due November 2047	November 2017	\$ 2,250	4.03%	\$ 2,250	4.03%
\$4,500, 3.60%, due April 2050	April 2020	\$ 4,500	3.62%	\$ 4,500	3.62%
\$3,250, 3.95%, due March 2051(5)	March 2021	\$ 3,250	3.96%	\$ —	N.A.
\$1,250, 4.375%, due May 2055	May 2015	\$ 1,250	4.40%	\$ 1,250	4.40%
\$3,500, 3.85%, due April 2060	April 2020	\$ 3,500	3.87%	\$ 3,500	3.87%
\$1,500, 4.10%, due March 2061(5)	March 2021	\$ 1,500	4.11%	\$ —	N.A.
Other borrowings:					
Other borrowings due August 2025	November 2016	\$ 113	3.53%	\$ 113	3.53%
Total senior notes and other borrowings		\$ 84,529		\$ 71,807	
Unamortized discount/issuance costs		\$ (315)		\$ (285)	
Hedge accounting fair value adjustments(3)(4)		\$ 31		\$ 75	
Total notes payable and other borrowings		<u>\$ 84,245</u>		<u>\$ 71,597</u>	
Notes payable, current		<u>\$ 8,250</u>		<u>\$ 2,371</u>	
Notes payable and other borrowings, non-current		<u>\$ 75,995</u>		<u>\$ 69,226</u>	

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- (1) In July 2013, we issued €2.0 billion of fixed-rate senior notes comprised of €1.25 billion of 2.25% senior notes that were due and were settled in January 2021 (January 2021 Notes) and €750 million of 3.125% senior notes due July 2025 (July 2025 Notes, and together with the January 2021 Notes, the Euro Notes). Principal and unamortized discount/issuance costs for the Euro Notes in the table above were calculated using foreign currency exchange rates, as applicable, as of May 31, 2021 and May 31, 2020, respectively. The July 2025 Notes are registered and trade on the New York Stock Exchange.
- (2) In connection with the issuance of the January 2021 Notes, we entered into certain cross-currency swap agreements, all of which were cash settled upon their maturity during fiscal 2021 (see Note 10 for additional information).
- (3) We entered into certain interest rate swap agreements that have the economic effects of modifying the fixed-interest obligations associated with the 2.80% senior notes due July 2021 (July 2021 Notes) so that the interest payable on these notes effectively became variable based on LIBOR. The effective interest rates after consideration of these fixed to variable interest rate swap agreements were 0.87% and 1.99%, respectively, for the July 2021 Notes as of May 31, 2021 and 2020, respectively. Refer to Notes 1 and 10 for a description of our accounting for fair value hedges associated with our July 2021 Notes.
- (4) In fiscal 2018 we entered into certain cross-currency interest rate swap agreements that have the economic effect of converting our fixed-rate, Euro-denominated debt, including annual interest payments and the payment of principal at maturity, to a variable-rate, U.S. Dollar-denominated debt of \$871 million based on LIBOR. The effective interest rates as of May 31, 2021 and 2020 after consideration of the cross-currency interest rate swap agreements were 3.15% and 4.46%, respectively, for the July 2025 Notes. Refer to Notes 1 and 10 for a description of our accounting for fair value hedges.
- (5) In March 2021, we issued \$15.0 billion of senior notes for general corporate purposes, which may include stock repurchases, payment of cash dividends on our common stock and repayment of indebtedness and future acquisitions. The interest is payable semi-annually. We may redeem some or all of the senior notes of each series prior to their maturity, subject to certain restrictions, and the payment of an applicable make-whole premium in certain instances.

Future principal payments (adjusted for the effects of the cross-currency interest rate swap agreements associated with the July 2025 Notes) for all of our borrowings at May 31, 2021 were as follows (in millions):

Fiscal 2022	\$	8,250
Fiscal 2023		3,750
Fiscal 2024		3,500
Fiscal 2025		10,000
Fiscal 2026		3,734
Thereafter		55,250
Total	\$	<u>84,484</u>

Senior Notes

Interest is payable semi-annually for the senior notes listed in the above table except for the Euro Notes for which interest is payable annually. We may redeem some or all of the senior notes of each series prior to their maturity, subject to certain restrictions, and the payment of an applicable make-whole premium in certain instances.

The senior notes rank pari passu with any other notes we may issue in the future pursuant to our commercial paper program (see additional discussion regarding our commercial paper program below) and all existing and future unsecured senior indebtedness of Oracle Corporation. All existing and future liabilities of the subsidiaries of Oracle Corporation are or will be effectively senior to the senior notes and any future issuances of commercial paper notes. We were in compliance with all debt-related covenants at May 31, 2021.

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Commercial Paper Program and Commercial Paper Notes

Our existing \$3.0 billion commercial paper program allows us to issue and sell unsecured short-term promissory notes pursuant to a private placement exemption from the registration requirements under federal and state securities laws pursuant to dealer agreements with various banks and an Issuing and Paying Agency Agreement with Deutsche Bank Trust Company Americas. As of May 31, 2021 and 2020, we did not have any outstanding commercial paper notes.

8. RESTRUCTURING ACTIVITIES**Fiscal 2019 Oracle Restructuring Plan**

During fiscal 2019, our management approved, committed to and initiated plans to restructure and further improve efficiencies in our operations due to our acquisitions and certain other operational activities (2019 Restructuring Plan). In fiscal 2021, our management supplemented the 2019 Restructuring Plan to reflect additional actions that we expected to take. Restructuring costs associated with the 2019 Restructuring Plan were recorded to the restructuring expense line item within our consolidated statements of operations as they were incurred. We recorded \$430 million and \$261 million of restructuring expenses in connection with the 2019 Restructuring Plan in fiscal 2021 and 2020, respectively. The total costs recorded to date in our consolidated statements of operations in connection with the 2019 Restructuring Plan were \$1.2 billion. Actions pursuant to the 2019 Restructuring Plan were substantially complete as of May 31, 2021.

Summary of All Plans**Fiscal 2021 Activity**

(in millions)	Accrued May 31, 2020(2)	Year Ended May 31, 2021				Accrued May 31, 2021(2)
		Initial Costs(3)	Adj. to Cost(4)	Cash Payments	Others(5)	
Fiscal 2019 Oracle Restructuring Plan(1)						
Cloud and license	\$ 75	\$ 225	\$ (22)	\$ (171)	\$ 12	\$ 119
Hardware	14	39	(2)	(34)	(1)	16
Services	27	54	(4)	(56)	3	24
Other(6)	22	137	3	(110)	5	57
Total Fiscal 2019 Oracle Restructuring Plan	\$ 138	\$ 455	\$ (25)	\$ (371)	\$ 19	\$ 216
Total other restructuring plans(7)	\$ 13	\$ 2	\$ (1)	\$ (5)	\$ —	\$ 9
Total restructuring plans	\$ 151	\$ 457	\$ (26)	\$ (376)	\$ 19	\$ 225

Fiscal 2020 Activity

(in millions)	Accrued May 31, 2019	Year Ended May 31, 2020				Accrued May 31, 2020(2)
		Initial Costs(3)	Adj. to Cost(4)	Cash Payments	Others(5)	
Fiscal 2019 Oracle Restructuring Plan(1)						
Cloud and license	\$ 72	\$ 140	\$ (24)	\$ (112)	\$ (1)	\$ 75
Hardware	18	28	(1)	(31)	—	14
Services	15	51	(2)	(37)	—	27
Other(6)	108	59	10	(111)	(44)	22
Total Fiscal 2019 Oracle Restructuring Plan	\$ 213	\$ 278	\$ (17)	\$ (291)	\$ (45)	\$ 138
Total other restructuring plans(7)	\$ 49	\$ —	\$ (11)	\$ (8)	\$ (17)	\$ 13
Total restructuring plans	\$ 262	\$ 278	\$ (28)	\$ (299)	\$ (62)	\$ 151

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Fiscal 2019 Activity

(in millions)	Accrued May 31, 2018	Year Ended May 31, 2019				Accrued May 31, 2019
		Initial Costs(3)	Adj. to Cost(4)	Cash Payments	Others(5)	
Fiscal 2019 Oracle Restructuring Plan(1)						
Cloud and license	\$ —	\$ 191	\$ (4)	\$ (113)	\$ (2)	\$ 72
Hardware	—	53	—	(35)	—	18
Services	—	41	1	(27)	—	15
Other(6)	—	190	4	(87)	1	108
Total Fiscal 2019 Oracle Restructuring Plan	\$ —	\$ 475	\$ 1	\$ (262)	\$ (1)	\$ 213
Total other restructuring plans(7)	\$ 282	\$ 5	\$ (58)	\$ (181)	\$ 1	\$ 49
Total restructuring plans	\$ 282	\$ 480	\$ (57)	\$ (443)	\$ —	\$ 262

(1) Restructuring costs recorded for individual line items primarily related to employee severance costs.

(2) As of May 31, 2021 and 2020, substantially all restructuring liabilities have been recorded in other current liabilities within our consolidated balance sheets.

(3) Costs recorded for the respective restructuring plans during the current period presented.

(4) All plan adjustments were changes in estimates whereby increases and decreases in costs were generally recorded to operating expenses in the period of adjustments.

(5) Represents foreign currency translation and certain other adjustments.

(6) Represents employee related severance costs for functions that are not included within our operating segments and certain other restructuring costs.

(7) Other restructuring plans presented in the tables above included condensed information for certain Oracle-based plans and other plans associated with certain of our acquisitions whereby we continued to make cash outlays to settle obligations under these plans during the periods presented but for which the periodic impact to our condensed consolidated statements of operations was not significant.

9. DEFERRED REVENUES

Deferred revenues consisted of the following:

(in millions)	May 31,	
	2021	2020
Cloud services and license support	\$ 7,728	\$ 6,996
Hardware	618	613
Services	399	365
Cloud license and on-premise license	30	28
Deferred revenues, current	8,775	8,002
Deferred revenues, non-current (in other non-current liabilities)	679	597
Total deferred revenues	\$ 9,454	\$ 8,599

Deferred cloud services and license support revenues and deferred hardware revenues substantially represent customer payments made in advance for cloud or support contracts that are typically billed in advance with corresponding revenues generally being recognized ratably over the contractual periods. Deferred services revenues include prepayments for our services business and revenues for these services are generally recognized as the services are performed. Deferred cloud license and on-premise license revenues typically resulted from customer payments that related to undelivered products and services or specified enhancements.

10. DERIVATIVE FINANCIAL INSTRUMENTS
Fair Value Hedges—Interest Rate Swap Agreements and Cross-Currency Interest Rate Swap Agreements

In May 2018, we entered into certain cross-currency interest rate swap agreements to manage the foreign currency exchange rate risk associated with our July 2025 Notes by effectively converting the fixed-rate, Euro denominated 2025 Notes, including the annual interest payments and the payment of principal at maturity, to variable-rate, U.S. Dollar denominated debt based on LIBOR. In July 2014, we entered into certain interest rate

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swap agreements that have the economic effect of modifying the fixed-interest obligations associated with our July 2021 Notes so that the interest payable on these senior notes effectively became variable based on LIBOR. The critical terms of the swap agreements match the critical terms of the July 2025 Notes and July 2021 Notes that the swap agreements pertain to, including the notional amounts and maturity dates.

We have designated the aforementioned swap agreements as qualifying hedging instruments and are accounting for them as fair value hedges pursuant to ASC 815. The changes in fair values of the cross-currency interest rate swap agreements associated with our July 2025 Notes are recognized as interest expense and non-operating income, net in our consolidated statements of operations with the corresponding amounts included in non-current assets or non-current liabilities in our consolidated balance sheets.

The changes in fair values of our interest rate swap agreements associated with our July 2021 Notes are recognized as interest expense in our consolidated statements of operations with the corresponding amounts included in other current assets or other current liabilities in our consolidated balance sheets. The amount of net gain (loss) attributable to the interest rate risk being hedged is recognized as interest expense and amount of net gain (loss) attributable to the foreign exchange risk being hedged, as applicable, is recognized as non-operating income, net in our consolidated statements of operations with the corresponding amount included in notes payable, current or notes payable, non-current. We exclude the portion of the change in fair value of cross-currency interest rate swap agreements attributable to the related cross-currency basis spread in our assessment of hedge effectiveness. The change in fair value of these cross-currency interest rate swap agreements attributable to the cross-currency basis spread is included in AOCL. The periodic interest settlements for the swap agreements for the July 2025 Notes and July 2021 Notes are recorded as interest expense and are included as a part of cash flows from operating activities and cash flows that pertain to the principal balance are classified as financing activities.

Cash Flow Hedges—Cross-Currency Swap Agreements

In connection with the issuance of the January 2021 Notes, we entered into certain cross-currency swap agreements to manage the related foreign currency exchange risk by effectively converting the fixed-rate, Euro-denominated January 2021 Notes, including the annual interest payments and the payment of principal at maturity, to a fixed-rate of 3.53% and U.S. Dollar-denominated principal amount of \$1.6 billion. We had designated these cross-currency swap agreements as qualifying hedging instruments and accounted for these as cash flow hedges pursuant to ASC 815. In fiscal 2021, the cross-currency swap agreements and the January 2021 Notes matured and were settled in cash. The cash flows related to the cross-currency swap agreements that pertained to the periodic interest settlements were classified as operating activities and the cash flows that pertained to the principal balance were classified as financing activities.

Foreign Currency Forward Contracts Not Designated as Hedges

We transact business in various foreign currencies and have established a program that primarily utilizes foreign currency forward contracts to offset the risks associated with the effects of certain foreign currency exposures. Under this program, our strategy is to enter into foreign currency forward contracts so that increases or decreases in our foreign currency exposures are offset by gains or losses on the foreign currency forward contracts in order to mitigate the risks and volatility associated with our foreign currency transactions. We may suspend this program from time to time. Our foreign currency exposures typically arise from intercompany sublicense fees, intercompany loans and other intercompany transactions that are generally expected to be cash settled in the near term. Our foreign currency forward contracts are generally short-term in duration. Our ultimate realized gain or loss with respect to currency fluctuations will generally depend on the size and type of cross-currency exposures that we enter into, the currency exchange rates associated with these exposures and changes in those rates, the net realized and unrealized gains or losses on foreign currency forward contracts to offset these exposures and other factors.

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We do not designate these forward contracts as hedging instruments pursuant to ASC 815. Accordingly, we recorded the fair values of these contracts as of the end of each reporting period to our consolidated balance sheets with changes in fair values recorded to our consolidated statements of operations. The balance sheet classification for the fair values of these forward contracts is other current assets for forward contracts in an unrealized gain position and other current liabilities for forward contracts in an unrealized loss position. The statement of operations classification for changes in fair values of these forward contracts is non-operating income, net for both realized and unrealized gains and losses.

As of May 31, 2021 and 2020, the notional amounts of the forward contracts we held to purchase U.S. Dollars in exchange for other major international currencies were \$4.3 billion and \$4.2 billion, respectively, and the notional amounts of forward contracts we held to sell U.S. Dollars in exchange for other major international currencies were \$4.5 billion and \$3.9 billion, respectively. The fair values of our outstanding foreign currency forward contracts were nominal at May 31, 2021 and 2020. The cash flows related to these foreign currency contracts are classified as operating activities.

The effects of derivative instruments designated as hedges on certain of our consolidated financial statements were as follows as of or for each of the respective periods presented below (amounts presented exclude any income tax effects):

Fair Values of Derivative Instruments Designated as Hedges in Consolidated Balance Sheets

(in millions)	Balance Sheet Location	May 31,	
		2021	2020
Derivative assets:			
Interest rate swap agreements designated as fair value hedges	Other current assets	\$ 3	\$ —
Interest rate swap agreements designated as fair value hedges	Other non-current assets	—	29
Cross-currency interest rate swap agreements designated as fair value hedges	Other non-current assets	70	—
Total derivative assets		\$ 73	\$ 29
Derivative liabilities:			
Cross-currency swap agreements designated as cash flow hedges	Other current liabilities	\$ —	\$ 251
Cross-currency interest rate swap agreements designated as fair value hedges	Other non-current liabilities	—	17
Total derivative liabilities		\$ —	\$ 268

Effects of Fair Value Hedging Relationships on Hedged Items in Consolidated Balance Sheets

(in millions)	May 31,	
	2021	2020
Notes payable, current:		
Carrying amount of hedged item	\$ 1,503	\$ —
Cumulative hedging adjustment included in the carrying amount	\$ 3	\$ —
Notes payable and other borrowings, non-current:		
Carrying amounts of hedged items	\$ 2,229	\$ 3,680
Cumulative hedging adjustments included in the carrying amount	\$ 118	\$ 75

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Effects of Derivative Instruments Designated as Hedges on Income

(in millions)	Year Ended May 31,					
	2021		2020		2019	
	Non-operating income, net	Interest expense	Non-operating income, net	Interest expense	Non-operating income, net	Interest expense
Consolidated statements of operations line amounts in which the hedge effects were recorded	\$ 282	\$ (2,496)	\$ 162	\$ (1,995)	\$ 815	\$ (2,082)
Gain (loss) on hedges recognized in income:						
Interest rate swap agreements designated as fair value hedges:						
Derivative instruments	\$ —	\$ (26)	\$ —	\$ 29	\$ —	\$ 31
Hedged items	—	26	—	(29)	—	(31)
Cross-currency interest rate swap agreements designated as fair value hedges:						
Derivative instruments	101	(6)	(7)	7	(38)	27
Hedged items	(85)	6	3	(7)	38	(27)
Cross-currency swap agreements designated as cash flow hedges:						
Amount of gain (loss) reclassified from accumulated OCI or OCL	137	—	(21)	—	(53)	—
Total gain (loss) on hedges recognized in income	<u>\$ 153</u>	<u>\$ —</u>	<u>\$ (25)</u>	<u>\$ —</u>	<u>\$ (53)</u>	<u>\$ —</u>

Gain (Loss) on Derivative Instruments Designated as Hedges included in Other Comprehensive Income (OCI) or Loss (OCL)

(in millions)	Year Ended May 31,		
	2021	2020	2019
Cross-currency swap agreements designated as cash flow hedges	\$ 129	\$ (43)	\$ (105)

11. LEASES, OTHER COMMITMENTS AND CERTAIN CONTINGENCIES
Leases

We have operating leases that primarily relate to certain of our facilities, data centers and vehicles. As of May 31, 2021, our operating leases substantially have remaining terms of one year to eleven years, some of which include options to extend and/or terminate the leases.

Operating lease expenses totaled \$654 million, net of sublease income of \$13 million in fiscal 2021 and \$599 million, net of sublease income of \$16 million in fiscal 2020. At May 31, 2021, ROU assets, current lease liabilities and non-current lease liabilities for our operating leases were \$2.6 billion, \$664 million and \$2.1 billion, respectively. We recorded ROU assets of \$1.7 billion in exchange for operating lease obligations during the year ended May 31, 2021. Cash paid for amounts included in the measurement of operating lease liabilities was \$696 million for year ended May 31, 2021. As of May 31, 2021, the weighted average remaining lease term for operating leases was approximately seven years and the weighted average discount rate used for calculating operating lease obligations was 2.8%. As of May 31, 2021, we have \$653 million of additional operating lease commitments, primarily for data centers, that commence in fiscal 2022 for terms of one to eleven years that were not reflected on our consolidated balance sheet as of May 31, 2021 or in the maturities table below.

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Maturities of operating lease liabilities were as follows as of May 31, 2021 (in millions):

Fiscal 2022	\$	694
Fiscal 2023		544
Fiscal 2024		427
Fiscal 2025		367
Fiscal 2026		320
Thereafter		710
Total operating lease payments		<u>3,062</u>
Less: imputed interest		<u>(280)</u>
Total operating lease liability	\$	<u>2,782</u>

Unconditional Obligations

In the ordinary course of business, we enter into certain unconditional purchase obligations with our suppliers, which are agreements that are enforceable and legally binding and specify terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the payment. We utilize several external manufacturers to manufacture sub-assemblies, perform final assemblies and perform testing of our hardware products. We also obtain individual components for our hardware products from a variety of individual suppliers based on projected demand information. Such purchase commitments are based on our forecasted component and manufacturing requirements and typically provide for fulfillment within agreed upon lead-times and/or commercially standard lead-times for the particular part or product and have been included in the amounts disclosed below. Certain routine arrangements for other materials and goods that are not related to our external manufacturers and certain other suppliers and that are entered into in the ordinary course of business are not included in the amounts below, as they are generally entered into in order to secure pricing or other negotiated terms and are difficult to quantify in a meaningful way.

As of May 31, 2021, our unconditional purchase and certain other obligations were as follows (in millions):

Fiscal 2022	\$	1,484
Fiscal 2023		143
Fiscal 2024		89
Fiscal 2025		61
Fiscal 2026		28
Thereafter		212
Total	\$	<u>2,017</u>

As described in Notes 7 and 10 above, as of May 31, 2021 we have senior notes and other borrowings that mature at various future dates and derivative financial instruments outstanding that we leverage to manage certain risks and exposures.

Guarantees

Our cloud, license and hardware sales agreements generally include certain provisions for indemnifying customers against liabilities if our products infringe a third party's intellectual property rights. To date, we have not incurred any material costs as a result of such indemnifications and have not accrued any material liabilities related to such obligations in our consolidated financial statements. Certain of our sales agreements also include provisions indemnifying customers against liabilities in the event we breach confidentiality or service level requirements. It is not possible to determine the maximum potential amount under these indemnification agreements due to our

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limited and infrequent history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement.

Our Oracle Cloud Services agreements generally include a warranty that the cloud services will be performed in all material respects as defined in the agreement during the service period. Our license and hardware agreements also generally include a warranty that our products will substantially operate as described in the applicable program documentation for a period of one year after delivery. We also warrant that services we perform will be provided in a manner consistent with industry standards for a period of 90 days from performance of the services.

We occasionally are required, for various reasons, to enter into financial guarantees with third parties in the ordinary course of our business including, among others, guarantees related to taxes, import licenses and letters of credit on behalf of parties with whom we conduct business. Such agreements have not had a material effect on our results of operations, financial position or cash flows.

In connection with certain litigation, we posted certain court-mandated surety bonds with a court and entered into related indemnification agreements with each of the surety bond issuing companies. Additional information is provided in Note 17 below.

12. STOCKHOLDERS' EQUITY

Common Stock Repurchases

Our Board of Directors has approved a program for us to repurchase shares of our common stock. On March 10, 2021, we announced that our Board of Directors approved an expansion of our stock repurchase program by an additional \$20.0 billion. As of May 31, 2021, approximately \$15.6 billion remained available for stock repurchases pursuant to our stock repurchase program. We repurchased 329.2 million shares for \$21.0 billion (including 0.8 million shares for \$66 million that were repurchased but not settled), 361.0 million shares for \$19.2 billion, and 733.8 million shares for \$36.0 billion in fiscal 2021, 2020 and 2019, respectively, under the stock repurchase program.

Our stock repurchase authorization does not have an expiration date and the pace of our repurchase activity will depend on factors such as our working capital needs, our cash requirements for acquisitions and dividend payments, our debt repayment obligations or repurchases of our debt, our stock price, and economic and market conditions. Our stock repurchases may be effected from time to time through open market purchases or pursuant to a Rule 10b5-1 plan. Our stock repurchase program may be accelerated, suspended, delayed or discontinued at any time.

Dividends on Common Stock

During fiscal 2021, 2020 and 2019, our Board of Directors declared cash dividends of \$1.04, \$0.96 and \$0.81 per share of our outstanding common stock, respectively, which we paid during the same period.

In June 2021, our Board of Directors declared a quarterly cash dividend of \$0.32 per share of our outstanding common stock. The dividend is payable on July 29, 2021 to stockholders of record as of the close of business on July 15, 2021. Future declarations of dividends and the establishment of future record and payment dates are subject to the final determination of our Board of Directors.

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Accumulated Other Comprehensive Loss

The following table summarizes, as of each balance sheet date, the components of our AOCL, net of income taxes:

(in millions)	May 31,	
	2021	2020
Foreign currency translation losses	\$ (775)	\$ (1,254)
Unrealized losses on defined benefit plans, net	(400)	(471)
Unrealized gains on marketable securities, net	—	1
Unrealized gains on cash flow hedges, net	—	8
Total accumulated other comprehensive loss	\$ (1,175)	\$ (1,716)

13. EMPLOYEE BENEFIT PLANS**Stock-Based Compensation Plans****Stock Plans**

In fiscal 2021, we adopted the 2020 Equity Incentive Plan (the 2020 Plan) to replace the Amended and Restated 2000 Long-Term Equity Incentive Plan (the 2000 Plan and, together with the 2020 Plan, the Plans) which provides for the issuance of long-term performance awards, including restricted stock-based awards, non-qualified stock options and incentive stock options, as well as stock purchase rights and stock appreciation rights, to our eligible employees, officers and directors who are also employees or consultants, independent consultants and advisers.

The total number of shares authorized under the 2020 Plan is (i) 90 million shares, plus (ii) the number of shares that remained unissued and were available for grant under the 2000 Plan as of the date of adoption of the 2020 Plan, plus (iii) the number of shares granted and outstanding as of the date of adoption of the 2020 Plan which would have been available again for issuance under the terms of the 2000 Plan had the 2020 Plan not been adopted. Under the Plans, for each share granted as a full value award in the form of a restricted stock unit (RSU) or a performance-based restricted stock award (PSU), an equivalent of 2.5 shares is deducted from our pool of shares available for grant.

As of May 31, 2021, 107 million unvested restricted stock units (RSUs), 36 million performance-based stock options (PSOs), and service-based stock options (SOs) to purchase 69 million shares of common stock, of which 66 million shares were vested, were outstanding under the Plans. Approximately 210 million shares of common stock were available for future awards under the 2020 Plan as of May 31, 2021. To date, we have not issued any stock options under the 2020 Plan or any stock purchase rights or stock appreciation rights under either of the Plans.

The vesting schedule for all awards granted under the Plans is established by the Compensation Committee of the Board of Directors. RSUs generally require service-based vesting of 25% annually over four years. SOs were previously granted under the 2000 Plan at not less than fair market value, become exercisable generally 25% annually over four years of service, and generally expire 10 years from the date of grant.

PSOs granted under the 2000 Plan to our Chief Executive Officer and Chief Technology Officer in fiscal 2018 consisted of seven numerically equivalent vesting tranches that potentially may vest. One tranche vests solely on the attainment of a market-based metric. The remaining six tranches require the attainment of both a performance metric and a market capitalization metric. In each case, the market-based metric, performance metrics and market capitalization metrics for the PSOs may be achieved at any time during the required performance period, assuming continued employment and service through the date the Compensation Committee of the Board of Directors certifies that performance has been achieved. The PSOs have contractual lives of eight years in comparison to the typical ten year contractual lives for SOs. For the six tranches of the PSOs with both performance and market conditions, stock-based compensation expense is to be recognized starting at the time each vesting tranche becomes probable of achievement over the longer of the estimated implicit service period or derived service period. Stock-based compensation associated with a vesting tranche where vesting is no longer

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determined to be probable is reversed on a cumulative basis and is no longer prospectively recognized in the period when such a determination is made. Stock-based compensation for the market-based tranche was recognized using the derived service period for the market-based metric achievement, which we estimated to be approximately three years.

In connection with certain of our acquisitions, we assumed certain outstanding restricted stock-based awards and stock options under each acquired company's respective stock plans, or we substituted substantially similar awards under the Plans. These restricted stock-based awards and stock options assumed or substituted generally retained all of the rights, terms and conditions of the respective plans under which they were originally granted. As of May 31, 2021, stock options to purchase approximately 1 million shares of common stock were outstanding under acquired company stock plans that Oracle assumed.

In fiscal 1993, the Board adopted the 1993 Directors' Stock Plan (the Directors' Plan), which provides for the issuance of RSUs and other stock-based awards, including non-qualified stock options, to non-employee directors. The Directors' Plan has from time to time been amended and restated. Under the terms of the Directors' Plan, 10 million shares of common stock are reserved for issuance (including a fiscal 2013 amendment to increase the number of shares of our common stock reserved for issuance by 2 million shares). In prior years, we granted stock options at not less than fair market value, that vest over four years, and expire no more than 10 years from the date of grant. Currently, we only grant RSUs that vest fully on the one-year anniversary of the date of grant. The Directors' Plan was most recently amended on April 29, 2016 and permits the Compensation Committee of the Board to determine the amount and form of automatic grants of stock awards, if any, to each non-employee director upon first becoming a director and thereafter on an annual basis, as well as automatic grants for chairing certain Board committees, subject to certain stockholder approved limitations set forth in the Directors' Plan. In April 2020, the Compensation Committee reduced the maximum value of the annual automatic RSU grants to each non-employee director from \$400,000 to \$350,000 and eliminated all equity grants for chairing board committees. As of May 31, 2021, approximately 49,000 unvested RSUs and stock options to purchase approximately 1 million shares of common stock (all of which were vested) were outstanding under the Directors' Plan. As of May 31, 2021, approximately 1 million shares were available for future stock awards under this plan.

The following table summarizes restricted stock-based award activity granted pursuant to Oracle-based stock plans and stock plans assumed from our acquisitions for our last three fiscal years ended May 31, 2021:

(in millions, except fair value)	Restricted Stock-Based Awards Outstanding	
	Number of Shares	Weighted-Average Grant Date Fair Value
Balance, May 31, 2018	89	\$ 42.93
Granted	53	\$ 42.47
Vested and Issued	(31)	\$ 41.85
Canceled	(12)	\$ 42.97
Balance, May 31, 2019	99	\$ 43.01
Granted	50	\$ 53.38
Vested and Issued	(34)	\$ 42.67
Canceled	(14)	\$ 46.81
Balance, May 31, 2020	101	\$ 48.36
Granted	54	\$ 54.95
Vested and Issued	(34)	\$ 46.88
Canceled	(11)	\$ 50.40
Balance, May 31, 2021	110	\$ 51.87

The total grant date fair values of restricted stock-based awards that were vested and issued in fiscal 2021, 2020 and 2019 were \$1.6 billion, \$1.5 billion and \$1.3 billion, respectively. As of May 31, 2021, total unrecognized stock-

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based compensation expense related to non-vested restricted stock-based awards was \$3.7 billion and is expected to be recognized over the remaining weighted-average vesting period of 2.76 years.

The following table summarizes stock option activity, including SOs and PSOs, and includes awards granted pursuant to the Plans and stock plans assumed from our acquisitions for our last three fiscal years ended May 31, 2021:

(in millions, except exercise price)	Options Outstanding	
	Shares Under Stock Option	Weighted-Average Exercise Price
Balance, May 31, 2018	304	\$ 36.11
Granted	7	\$ 43.47
Exercised	(72)	\$ 28.32
Canceled	(17)	\$ 49.28
Balance, May 31, 2019	222	\$ 37.78
Granted	—	\$ —
Exercised	(44)	\$ 33.18
Canceled	(2)	\$ 44.76
Balance, May 31, 2020	176	\$ 38.86
Granted	—	\$ —
Exercised	(52)	\$ 32.05
Canceled	(17)	\$ 51.02
Balance, May 31, 2021	107	\$ 40.14

Stock options outstanding that have vested and that are expected to vest as of May 31, 2021 were as follows:

	Outstanding Stock Options (in millions)	Weighted-Average Exercise Price	Weighted-Average Remaining Contract Term (in years)	Aggregate Intrinsic Value ⁽¹⁾ (in millions)
Vested	67	\$ 34.05	2.54	\$ 3,000
Expected to vest ⁽²⁾	9	\$ 48.70	5.76	266
Total	76	\$ 35.76	2.91	\$ 3,266

(1) The aggregate intrinsic value was calculated based on the gross difference between our closing stock price on the last trading day of fiscal 2021 of \$78.74 and the exercise prices for all “in-the-money” options outstanding, excluding tax effects.

(2) The unrecognized compensation expense calculated under the fair value method for shares expected to vest (unvested shares net of expected forfeitures) as of May 31, 2021 was approximately \$17 million and is expected to be recognized over a weighted-average period of 1.44 years. Approximately 31 million shares outstanding as of May 31, 2021 were not expected to vest.

Stock-Based Compensation Expense and Valuations of Stock Awards

We estimated the fair values of our restricted stock-based awards that are solely subject to service-based vesting requirements based upon their market values as of the grant dates, discounted for the present values of expected dividends.

Stock-based compensation expense was included in the following operating expense line items in our consolidated statements of operations:

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(in millions)	Year Ended May 31,		
	2021	2020	2019
Cloud services and license support	\$ 134	\$ 110	\$ 99
Hardware	11	11	10
Services	55	54	49
Sales and marketing	313	261	360
Research and development	1,188	1,035	963
General and administrative	136	119	172
Total stock-based compensation	1,837	1,590	1,653
Estimated income tax benefit included in provision for income taxes	(413)	(343)	(358)
Total stock-based compensation, net of estimated income tax benefit	\$ 1,424	\$ 1,247	\$ 1,295

Tax Benefits from Exercises of Stock Options and Vesting of Restricted Stock-Based Awards

Total cash received as a result of stock option exercises was approximately \$1.7 billion, \$1.5 billion and \$2.0 billion for fiscal 2021, 2020 and 2019, respectively. The total aggregate intrinsic value of restricted stock-based awards that vested and were issued and stock options that were exercised was \$3.7 billion, \$2.9 billion and \$3.1 billion for fiscal 2021, 2020 and 2019, respectively. In connection with the vesting and issuance of restricted stock-based awards and stock options that were exercised, the tax benefits realized by us were \$842 million, \$638 million and \$692 million for fiscal 2021, 2020 and 2019, respectively.

Employee Stock Purchase Plan

We have an Employee Stock Purchase Plan (Purchase Plan) that allows employees to purchase shares of common stock at a price per share that is 95% of the fair market value of Oracle stock as of the end of the semi-annual option period. As of May 31, 2021, 42 million shares were reserved for future issuances under the Purchase Plan. We issued 2 million shares in each of fiscal 2021, 2020 and 2019, respectively, under the Purchase Plan.

Defined Contribution and Other Postretirement Plans

We offer various defined contribution plans for our U.S. and non-U.S. employees. Total defined contribution plan expense was \$380 million, \$376 million and \$380 million for fiscal 2021, 2020 and 2019, respectively.

In the U.S., regular employees can participate in the Oracle Corporation 401(k) Savings and Investment Plan (Oracle 401(k) Plan). Participants can generally contribute up to 40% of their eligible compensation on a per-pay-period basis as defined by the Oracle 401(k) Plan document or by the section 402(g) limit as defined by the U.S. Internal Revenue Service (IRS). We match a portion of employee contributions, currently 50% up to 6% of compensation each pay period, subject to maximum aggregate matching amounts. Our contributions to the Oracle 401(k) Plan, net of forfeitures, were \$150 million, \$152 million and \$154 million in fiscal 2021, 2020 and 2019, respectively.

We also offer non-qualified deferred compensation plans to certain employees whereby they may defer a portion of their annual base and/or variable compensation until retirement or a date specified by the employee in accordance with the plans. Deferred compensation plan assets and liabilities were each approximately \$813 million and approximately \$636 million as of May 31, 2021 and 2020, respectively, and were presented in other non-current assets and other non-current liabilities in the accompanying consolidated balance sheets.

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We sponsor certain defined benefit pension plans that are offered primarily by certain of our foreign subsidiaries. Many of these plans were assumed through our acquisitions or are required by local regulatory requirements. We may deposit funds for these plans with insurance companies, third-party trustees, or into government-managed accounts consistent with local regulatory requirements, as applicable. Our total defined benefit plan pension expenses were \$105 million, \$97 million and \$90 million for fiscal 2021, 2020 and 2019, respectively. The aggregate projected benefit obligation and aggregate net liability (funded status) of our defined benefit plans as of May 31, 2021 were \$1.4 billion and \$889 million, respectively, and as of May 31, 2020 were \$1.3 billion and \$884 million, respectively.

14. INCOME TAXES

Our effective tax rates for each of the periods presented are the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. Our provision for income taxes for fiscal 2021 varied from the tax computed at the U.S. federal statutory income tax rate primarily due to a net deferred tax benefit that totaled \$2.3 billion that we recognized as a result of a partial realignment of our legal entity structure that resulted in the intra-group transfer of certain intellectual property (IP) rights, earnings in foreign operations, state taxes, the U.S. research and development tax credit, settlements with tax authorities, the tax effects of stock-based compensation, the Foreign Derived Intangible Income deduction and the tax effect of GILTI. Our provision for income taxes for fiscal 2020 varied from the tax computed at the U.S. federal statutory income tax rate primarily due to earnings in foreign operations, state taxes, the U.S. research and development tax credit, settlements with tax authorities, the tax effects of stock-based compensation, the Foreign Derived Intangible Income deduction and the tax effect of GILTI. Our provision for income taxes for fiscal 2019 varied from the 21% U.S. statutory rate imposed by the U.S. Tax Cuts and Jobs Act of 2017 (the Tax Act) primarily due to earnings in foreign operations, state taxes, the U.S. research and development tax credit, settlements with tax authorities, the tax effects of stock-based compensation, the Foreign Derived Intangible Income deduction, GILTI, and a \$389 million net reduction to our transition tax recorded in connection with the Tax Act pursuant to SEC Staff Accounting Bulletin No. 118.

The following is a geographical breakdown of income before benefit from (provision for) income taxes:

(in millions)	Year Ended May 31,		
	2021	2020	2019
Domestic	\$ 4,375	\$ 3,890	\$ 3,774
Foreign	8,624	8,173	8,494
Income before benefit from (provision for) income taxes	<u>\$ 12,999</u>	<u>\$ 12,063</u>	<u>\$ 12,268</u>

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The benefit from (provision for) income taxes consisted of the following:

(Dollars in millions)	Year Ended May 31,		
	2021	2020	2019
Current provision:			
Federal	\$ (516)	\$ (1,616)	\$ (979)
State	(233)	(19)	(300)
Foreign	(929)	(1,144)	(1,097)
Total current provision	\$ (1,678)	\$ (2,779)	\$ (2,376)
Deferred benefit:			
Federal	\$ (8,631)	\$ 983	\$ (483)
State	77	(50)	28
Foreign	10,979	(82)	1,646
Total deferred benefit	\$ 2,425	\$ 851	\$ 1,191
Total benefit from (provision for) income taxes	\$ 747	\$ (1,928)	\$ (1,185)
Effective income tax (benefit) expense rate	(5.7%)	16.0%	9.7%

The benefit from (provision for) income taxes differed from the amount computed by applying the federal statutory rate to our income before benefit from (provision for) income taxes as follows (certain prior year amounts have been reclassified to conform to the current year's presentation):

(Dollars in millions)	Year Ended May 31,		
	2021	2020	2019
U.S. federal statutory tax rate	21.0%	21.0%	21.0%
Tax provision at statutory rate	\$ (2,730)	\$ (2,533)	\$ (2,576)
Impact of the Tax Act of 2017:			
One-time transition tax	—	—	529
Deferred tax effects	—	—	(140)
Foreign earnings at other than United States rates	580	496	1,053
Net impact of intra-entity IP transfer	2,266	—	—
State tax expense, net of federal benefit	(206)	(172)	(163)
Settlements and releases from judicial decisions and statute expirations, net	582	137	132
Tax contingency interest accrual, net	(55)	(163)	(245)
Domestic tax contingency, net	(282)	(58)	(183)
Federal research and development credit	169	151	159
Stock-based compensation	300	166	201
Other, net	123	48	48
Total benefit from (provision for) income taxes	\$ 747	\$ (1,928)	\$ (1,185)

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The components of our deferred tax assets and liabilities were as follows:

(in millions)	May 31,	
	2021	2020
Deferred tax assets:		
Accruals and allowances	\$ 452	\$ 469
Employee compensation and benefits	755	638
Differences in timing of revenue recognition	547	524
Lease liabilities	524	253
Basis of property, plant and equipment and intangible assets	12,161	1,115
Tax credit and net operating loss carryforwards	3,934	3,871
Total deferred tax assets	18,373	6,870
Valuation allowance	(1,526)	(1,359)
Total deferred tax assets, net	16,847	5,511
Deferred tax liabilities:		
Unrealized gain on stock	(78)	(78)
Acquired intangible assets	(266)	(561)
GILTI deferred	(9,883)	(1,108)
ROU assets	(488)	(241)
Withholding taxes on foreign earnings	(195)	(171)
Other	(165)	(141)
Total deferred tax liabilities	(11,075)	(2,300)
Net deferred tax assets	\$ 5,772	\$ 3,211
Recorded as:		
Non-current deferred tax assets	\$ 13,636	\$ 3,252
Non-current deferred tax liabilities	(7,864)	(41)
Net deferred tax assets	\$ 5,772	\$ 3,211

We provide for United States income taxes on the undistributed earnings and the other outside basis temporary differences of foreign subsidiaries unless they are considered indefinitely reinvested outside the United States. At May 31, 2021, the amount of temporary differences related to undistributed earnings and other outside basis temporary differences of investments in foreign subsidiaries upon which U.S. income taxes have not been provided was approximately \$7.9 billion. If the undistributed earnings and other outside basis differences were recognized in a taxable transaction, they would generate foreign tax credits that would reduce the federal tax liability associated with the foreign dividend or the otherwise taxable transaction. At May 31, 2021, assuming a full utilization of the foreign tax credits, the potential net deferred tax liability associated with these other outside basis temporary differences would be approximately \$1.4 billion.

Our net deferred tax assets were \$5.8 billion and \$3.2 billion as of May 31, 2021 and 2020, respectively. We believe that it is more likely than not that the net deferred tax assets will be realized in the foreseeable future. Realization of our net deferred tax assets is dependent upon our generation of sufficient taxable income in future years in appropriate tax jurisdictions to obtain benefit from the reversal of temporary differences, net operating loss carryforwards and tax credit carryforwards. The amount of net deferred tax assets considered realizable is subject to adjustment in future periods if estimates of future taxable income change.

The valuation allowance was \$1.5 billion and \$1.4 billion as of May 31, 2021 and 2020, respectively. A majority of the valuation allowances as of May 31, 2021 and 2020 related to tax assets established in purchase accounting and other tax credits. Any subsequent reduction of that portion of the valuation allowance and the recognition of the associated tax benefits associated with our acquisitions will be recorded to our provision for income taxes

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subsequent to our final determination of the valuation allowance or the conclusion of the measurement period (as defined above), whichever comes first.

At May 31, 2021, we had federal net operating loss carryforwards of approximately \$502 million, which are subject to limitation on their utilization. Approximately \$447 million of these federal net operating losses expire in various years between fiscal 2022 and fiscal 2038. Approximately \$55 million of these federal net operating losses are not currently subject to expiration dates. We had state net operating loss carryforwards of approximately \$2.0 billion at May 31, 2021, which expire between fiscal 2022 and fiscal 2040 and are subject to limitations on their utilization. We had total foreign net operating loss carryforwards of approximately \$1.8 billion at May 31, 2021, which are subject to limitations on their utilization. Approximately \$1.7 billion of these foreign net operating losses are not currently subject to expiration dates. The remainder of the foreign net operating losses, approximately \$86 million, expire between fiscal 2022 and fiscal 2041. At May 31, 2021, we had federal capital loss carryforwards of approximately \$501 million, which expire in fiscal 2026. We had state capital loss carryforwards of approximately \$661 million, which expire between fiscal 2025 and fiscal 2026. We had tax credit carryforwards of approximately \$1.1 billion at May 31, 2021, which are subject to limitations on their utilization. Approximately \$765 million of these tax credit carryforwards are not currently subject to expiration dates. The remainder of the tax credit carryforwards, approximately \$378 million, expire in various years between fiscal 2022 and fiscal 2041.

We classify our unrecognized tax benefits as either current or non-current income taxes payable in the accompanying consolidated balance sheets. The aggregate changes in the balance of our gross unrecognized tax benefits, including acquisitions, were as follows:

(in millions)	Year Ended May 31,		
	2021	2020	2019
Gross unrecognized tax benefits as of June 1	\$ 6,972	\$ 6,348	\$ 5,592
Increases related to tax positions from prior fiscal years	225	624	772
Decreases related to tax positions from prior fiscal years	(836)	(298)	(135)
Increases related to tax positions taken during current fiscal year	531	628	540
Settlements with tax authorities	(51)	(177)	(153)
Lapses of statutes of limitation	(66)	(116)	(202)
Cumulative translation adjustments and other, net	137	(37)	(66)
Total gross unrecognized tax benefits as of May 31	\$ 6,912	\$ 6,972	\$ 6,348

As of May 31, 2021, 2020 and 2019, \$4.4 billion, \$4.3 billion and \$4.2 billion, respectively, of unrecognized tax benefits would affect our effective tax rate if recognized. We recognized interest and penalties related to uncertain tax positions in our provision for income taxes line of our consolidated statements of operations of \$166 million, \$202 million and \$312 million during fiscal 2021, 2020 and 2019, respectively. Interest and penalties accrued as of May 31, 2021 and 2020 were \$1.6 billion and \$1.4 billion, respectively.

Domestically, U.S. federal and state taxing authorities are currently examining income tax returns of Oracle and various acquired entities for years through fiscal 2019. Many issues are at an advanced stage in the examination process, the most significant of which include transfer pricing, domestic production activity, foreign tax credits, research and development credits, state economic nexus, and qualification as a state manufacturer. With all of these domestic audit issues considered in the aggregate, we believe that it was reasonably possible that, as of May 31, 2021, the gross unrecognized tax benefits related to these audits could decrease (whether by payment, release, or a combination of both) in the next 12 months by as much as \$798 million (\$671 million net of offsetting tax benefits). Our U.S. federal income tax returns have been examined for all years prior to fiscal 2010 and, with some exceptions, we are no longer subject to audit for those periods. Our U.S. state income tax returns, with some exceptions, have been examined for all years prior to fiscal 2007, and we are no longer subject to audit for those periods.

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Internationally, tax authorities for numerous non-U.S. jurisdictions are also examining returns affecting our unrecognized tax benefits. We believe that it was reasonably possible that, as of May 31, 2021, the gross unrecognized tax benefits could decrease (whether by payment, release, or a combination of both) by as much as \$197 million (\$89 million net of offsetting tax benefits) in the next 12 months related primarily to transfer pricing. With some exceptions, we are generally no longer subject to tax examinations in non-U.S. jurisdictions for years prior to fiscal 2001.

We are under audit by the IRS and various other domestic and foreign tax authorities with regards to income tax and indirect tax matters and are involved in various challenges and litigation in a number of countries, including, in particular, Australia, Brazil, Canada, India, Indonesia, Israel, Mexico, New Zealand, Pakistan, Saudi Arabia, South Korea and Spain, where the amounts under controversy are significant. In some, although not all, cases, we have reserved for potential adjustments to our provision for income taxes and accrual of indirect taxes that may result from examinations by, or any negotiated agreements with, these tax authorities or final outcomes in judicial proceedings, and we believe that the final outcome of these examinations, agreements or judicial proceedings will not have a material effect on our results of operations. If events occur which indicate payment of these amounts is unnecessary, the reversal of the liabilities would result in the recognition of benefits in the period we determine the liabilities are no longer necessary. If our estimates of the federal, state, and foreign income tax liabilities and indirect tax liabilities are less than the ultimate assessment, it could result in a further charge to expense.

We believe that we have adequately provided under GAAP for outcomes related to our tax audits. However, there can be no assurances as to the possible outcomes or any related financial statement effect thereof.

15. SEGMENT INFORMATION

ASC 280, *Segment Reporting*, establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. Our chief operating decision makers (CODMs) are our Chief Executive Officer and Chief Technology Officer. We are organized by line of business and geographically. While our CODMs evaluate results in a number of different ways, the line of business management structure is the primary basis for which the allocation of resources and financial results are assessed. The tabular information below presents the financial information provided to our CODMs for their review and assists our CODMs with evaluating the company's performance and allocating company resources.

We have three businesses—cloud and license, hardware and services—each of which is comprised of a single operating segment. All three of our businesses market and sell our offerings globally to businesses of many sizes, government agencies, educational institutions and resellers with a worldwide sales force positioned to offer the combinations that best meet customer needs.

Our cloud and license business engages in the sale, marketing and delivery of our enterprise applications and infrastructure technologies through cloud and on-premise deployment models including our cloud services and license support offerings; and our cloud license and on-premise license offerings. Cloud services and license support revenues are generated from offerings that are typically contracted with customers directly, billed to customers in advance, delivered to customers over time with our revenue recognition occurring over the contractual terms, and renewed by customers upon completion of the contractual terms. Cloud services and license support contracts provide customers with access to the latest updates to the applications and infrastructure technologies as they become available and for which the customer contracted and also include related technical support services over the contractual term. Cloud license and on-premise license revenues represent fees earned from granting customers licenses, generally on a perpetual basis, to use our database and middleware and our applications software products within cloud and on-premise IT environments. We generally recognize revenues at the point in time the software is made available to the customer to download and use, which typically is immediate upon signature of the license contract. In each fiscal year, our cloud and license

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business' contractual activities are typically highest in our fourth fiscal quarter and the related cash flows are typically highest in the following quarter (i.e., in the first fiscal quarter of the next fiscal year) as we receive payments from these contracts.

Our hardware business provides Oracle Engineered Systems, servers, storage, industry-specific hardware, operating systems, virtualization, management and other hardware-related software to support diverse IT environments. Our hardware business also offers hardware support, which provides customers with software updates for the software components that are essential to the functionality of their hardware products, such as Oracle So aris and certain other software, and can also include product repairs, maintenance services and technical support services.

Our services business provides services to customers and partners to help maximize the performance of their investments in Oracle applications and infrastructure technologies.

We do not track our assets for each business. Consequently, it is not practical to show assets by operating segment.

The following table presents summary results for each of our three businesses for each of fiscal 2021, 2020 and 2019:

(in millions)	Year Ended May 31,		
	2021	2020	2019
Cloud and license:			
Revenues ⁽¹⁾	\$ 34,101	\$ 32,523	\$ 32,582
Cloud services and license support expenses	4,133	3,803	3,597
Sales and marketing expenses	6,799	7,159	7,398
Margin ⁽²⁾	<u>\$ 23,169</u>	<u>\$ 21,561</u>	<u>\$ 21,587</u>
Hardware:			
Revenues	\$ 3,359	\$ 3,443	\$ 3,704
Hardware products and support expenses	945	1,084	1,327
Sales and marketing expenses	388	456	520
Margin ⁽²⁾	<u>\$ 2,026</u>	<u>\$ 1,903</u>	<u>\$ 1,857</u>
Services:			
Revenues	\$ 3,021	\$ 3,106	\$ 3,240
Services expenses	2,393	2,656	2,703
Margin ⁽²⁾	<u>\$ 628</u>	<u>\$ 450</u>	<u>\$ 537</u>
Totals:			
Revenues ⁽¹⁾	\$ 40,481	\$ 39,072	\$ 39,526
Expenses	14,658	15,158	15,545
Margin ⁽²⁾	<u>\$ 25,823</u>	<u>\$ 23,914</u>	<u>\$ 23,981</u>

(1) Cloud and license revenues presented for management reporting included revenues related to cloud and license obligations that would have otherwise been recorded by the acquired businesses as independent entities but were not recognized in our consolidated statements of operations for the periods presented due to business combination accounting requirements. The table below provides a reconciliation of our total operating segment revenues to our total consolidated revenues as reported in our consolidated statements of operations.

(2) The margins reported reflect only the direct controllable costs of each line of business and do not include allocations of product development, general and administrative and certain other allocable expenses, net. Additionally, the margins reported above do not reflect amortization of intangible assets, acquisition related and other expenses, restructuring expenses, stock-based compensation, interest expense or non-operating income, net. Refer to the table below for a reconciliation of our total margin for operating segments to our income before provision for income taxes as reported per our consolidated statements of operations.

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

The following table reconciles total operating segment revenues to total revenues as well as total operating segment margin to income before benefit from (provision for) income taxes:

(in millions)	Year Ended May 31,		
	2021	2020	2019
Total revenues for operating segments	\$ 40,481	\$ 39,072	\$ 39,526
Cloud and license revenues(1)	(2)	(4)	(20)
Total revenues	\$ 40,479	\$ 39,068	\$ 39,506
Total margin for operating segments	\$ 25,823	\$ 23,914	\$ 23,981
Cloud and license revenues(1)	(2)	(4)	(20)
Research and development	(6,527)	(6,067)	(6,026)
General and administrative	(1,254)	(1,181)	(1,265)
Amortization of intangible assets	(1,379)	(1,586)	(1,689)
Acquisition related and other	(138)	(56)	(44)
Restructuring	(431)	(250)	(443)
Stock-based compensation for operating segments	(513)	(436)	(518)
Expense allocations and other, net	(366)	(438)	(441)
Interest expense	(2,496)	(1,995)	(2,082)
Non-operating income, net	282	162	815
Income before benefit from (provision for) income taxes	\$ 12,999	\$ 12,063	\$ 12,268

(1) Cloud and license revenues presented for management reporting included revenues related to cloud and license obligations that would have otherwise been recorded by the acquired businesses as independent entities but were not recognized in our consolidated statements of operations for the periods presented due to business combination accounting requirements. This table provides a reconciliation of our total operating segment revenues to our total revenues as reported in our consolidated statements of operations.

Disaggregation of Revenues

We have considered information that is regularly reviewed by our CODMs in evaluating financial performance, and disclosures presented outside of our financial statements in our earnings releases and used in investor presentations to disaggregate revenues to depict how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors. The principal category we use to disaggregate revenues is the nature of our products and services as presented in our consolidated statements of operations, the total of which is reconciled to revenues from our reportable segments as per the preceding tables of this footnote.

The following table is a summary of our total revenues by geographic region. The relative proportion of our total revenues between each geographic region as presented in the table below was materially consistent across each of our operating segments' revenues for each of fiscal 2021, 2020 and 2019:

(in millions)	Year Ended May 31,		
	2021	2020	2019
Americas	\$ 21,828	\$ 21,563	\$ 21,856
EMEA(1)	11,894	11,035	11,270
Asia Pacific	6,757	6,470	6,380
Total revenues	\$ 40,479	\$ 39,068	\$ 39,506

(1) Comprised of Europe, the Middle East and Africa

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

The following table presents our cloud services and license support revenues by applications and infrastructure ecosystems.

(in millions)	Year Ended May 31,		
	2021	2020	2019
Applications cloud services and license support	\$ 11,712	\$ 11,015	\$ 10,553
Infrastructure cloud services and license support	16,988	16,377	16,154
Total cloud services and license support revenues	<u>\$ 28,700</u>	<u>\$ 27,392</u>	<u>\$ 26,707</u>

Geographic Information

Disclosed in the table below is geographic information for each country that comprised greater than three percent of our total revenues for any of fiscal 2021, 2020 or 2019.

(in millions)	As of and for the Year Ended May 31,					
	2021		2020		2019	
	Revenues	Long-Lived Assets ⁽¹⁾	Revenues	Long-Lived Assets ⁽¹⁾	Revenues	Long-Lived Assets ⁽¹⁾
United States	\$ 18,734	\$ 6,826	\$ 18,428	\$ 6,012	\$ 18,596	\$ 5,318
United Kingdom	2,110	685	1,904	472	2,054	423
Japan	1,988	650	1,977	655	1,848	422
Germany	1,744	561	1,510	418	1,583	263
Canada	1,281	199	1,162	169	1,166	87
Other countries	14,622	2,464	14,087	1,977	14,259	1,356
Total	<u>\$ 40,479</u>	<u>\$ 11,385</u>	<u>\$ 39,068</u>	<u>\$ 9,703</u>	<u>\$ 39,506</u>	<u>\$ 7,869</u>

(1) Long-lived assets include goodwill, intangible assets, equity investments and deferred taxes which are not allocated to specific geographic locations as this is impracticable to do so.

16. EARNINGS PER SHARE

Basic earnings per share is computed by dividing net income for the period by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed by dividing net income for the period by the weighted-average number of common shares outstanding during the period, plus the dilutive effect of outstanding restricted stock-based awards, stock options, and shares issuable under the employee stock purchase plan as applicable pursuant to the treasury stock method. The following table sets forth the computation of basic and diluted earnings per share:

(in millions, except per share data)	Year Ended May 31,		
	2021	2020	2019
Net income	\$ 13,746	\$ 10,135	\$ 11,083
Weighted average common shares outstanding	2,945	3,211	3,634
Dilutive effect of employee stock plans	77	83	98
Dilutive weighted average common shares outstanding	<u>3,022</u>	<u>3,294</u>	<u>3,732</u>
Basic earnings per share	\$ 4.67	\$ 3.16	\$ 3.05
Diluted earnings per share	\$ 4.55	\$ 3.08	\$ 2.97
Shares subject to anti-dilutive restricted stock-based awards and stock options excluded from calculation ⁽¹⁾	36	56	71

(1) These weighted shares relate to anti-dilutive restricted stock-based awards and stock options, both of which were service-based, as calculated using the treasury stock method and contingently issuable shares, substantially all of which were related to PSO agreements. Such shares could be dilutive in the future. See Note 13 for information regarding the exercise prices of our outstanding, unexercised stock options.

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

17. LEGAL PROCEEDINGS**Hewlett-Packard Company Litigation**

On June 15, 2011, Hewlett-Packard Company, now Hewlett Packard Enterprise Company (HP), filed a complaint in the California Superior Court, County of Santa Clara against Oracle Corporation alleging numerous causes of action including breach of contract, breach of the covenant of good faith and fair dealing, defamation, intentional interference with prospective economic advantage, and violation of the California Unfair Business Practices Act. The complaint alleged that when Oracle announced on March 22 and 23, 2011 that it would no longer develop future versions of its software to run on HP's Itanium-based servers, it breached a settlement agreement signed on September 20, 2010 (the HP Settlement Agreement), resolving litigation between HP and one of Oracle's former CEOs who had previously acted as HP's chief executive officer and chairman of HP's board of directors. HP sought a judicial declaration of the parties' rights and obligations under the HP Settlement Agreement and other equitable and monetary relief. Oracle answered the complaint and filed cross-claims.

After a bench trial on the meaning of the HP Settlement Agreement, the court found that the HP Settlement Agreement required Oracle to continue to develop certain of its software products for use on HP's Itanium-based servers at no cost to HP. The case proceeded to a jury trial in May 2016. On June 30, 2016, the jury returned a verdict in favor of HP on its claims for breach of contract and breach of the implied covenant of good faith and fair dealing and against Oracle on its cross-claims. The jury awarded HP \$3.0 billion in damages. Under the court's rulings, HP is entitled to post-judgment interest, but not pre-judgment interest, on this award.

After the trial court denied Oracle's motion for a new trial, Oracle filed a notice of appeal on January 17, 2017. On February 2, 2017, HP filed a notice of appeal of the trial court's denial of pre-judgment interest. Oral argument was held on May 27, 2021. On June 14, 2021, the Court of Appeal affirmed both the judgment against Oracle noted above, and the denial of pre-judgment interest. Oracle has posted a mandated surety bond with the trial court for the amounts owing. No amounts have been paid or recorded to our results of operations. If the Court of Appeal's judgment is ultimately affirmed, we would be liable for the amount of the jury award that is described above plus post-judgment interest.

We continue to believe that we have meritorious defenses against HP's claims and intend to vigorously defend against them including our intention to petition for review by the California Supreme Court.

We cannot currently estimate a reasonably possible range of loss for this action due to the complexities and uncertainty surrounding this process and the nature of the claims. Litigation is inherently unpredictable, and the outcome of the process related to this action is uncertain. It is possible that the resolution of this action could have a material impact on our future cash flows and results of operations.

Derivative Litigation Concerning Oracle's NetSuite Acquisition

On May 3 and July 18, 2017, two alleged stockholders filed separate derivative lawsuits in the Court of Chancery of the State of Delaware, purportedly on Oracle's behalf. Thereafter, the court consolidated the two derivative cases and designated the July 18, 2017 complaint as the operative complaint. The consolidated lawsuit was brought against all the then-current members and one former member of our Board of Directors, and Oracle as a nominal defendant. Plaintiff alleged that the defendants breached their fiduciary duties by causing Oracle to agree to purchase NetSuite Inc. (NetSuite) at an excessive price. The complaint sought (and the operative complaint continues to seek) declaratory relief, unspecified monetary damages (including interest), and attorneys' fees and costs. The defendants filed a motion to dismiss, which the court denied on March 19, 2018.

On May 4, 2018, our Board of Directors established a Special Litigation Committee (the SLC) to investigate the allegations in this derivative action. Three non-employee directors served on the SLC. On August 15, 2019, the SLC filed a letter with the court, stating that the SLC believed that plaintiff should be allowed to proceed with the derivative litigation on behalf of Oracle. After the SLC advised the Board that it had fulfilled its duties and

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

obligations, the Board withdrew the SLC's authority, except that the SLC maintained certain authority to respond to discovery requests in the litigation.

After plaintiff filed the July 18, 2017 complaint, an additional plaintiff joined the case. Plaintiffs filed several amended complaints, and filed their most recent amended complaint on December 11, 2020. The operative complaint asserts claims for breach of fiduciary duty against our Chief Executive Officer, our Chief Technology Officer, the estate of Mark Hurd (our former Chief Executive Officer who passed away on October 18, 2019), and two other members of our Board of Directors. Oracle is named as a nominal defendant. On December 11, 2020, the estate of Mark Hurd and the two other members of our Board of Directors moved to dismiss this complaint, and a hearing on this motion was held on February 16, 2021. The court has not yet ruled on this motion. On December 28, 2020, our Chief Executive Officer, our Chief Technology Officer, and Oracle as a nominal defendant filed answers to the operative complaint.

The parties are conducting discovery. Trial is scheduled to commence on July 18, 2022.

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

Securities Class Action and Derivative Litigation Concerning Oracle's Cloud Business

On August 10, 2018, a putative class action, brought by an alleged stockholder of Oracle, was filed in the U.S. District Court for the Northern District of California against us, our Chief Technology Officer, our then-two Chief Executive Officers, two other Oracle executives, and one former Oracle executive. As noted above, Mr. Hurd, one of our then-two Chief Executive Officers, passed away on October 18, 2019. On March 8, 2019, plaintiff filed an amended complaint. Plaintiff alleges that the defendants made or are responsible for false and misleading statements regarding Oracle's cloud business. Plaintiff further alleges that the former Oracle executive engaged in insider trading. Plaintiff seeks a ruling that this case may proceed as a class action, and seeks damages, attorneys' fees and costs, and unspecified declaratory/injunctive relief. On April 19, 2019, defendants moved to dismiss plaintiff's amended complaint. On December 17, 2019, the court granted this motion, giving plaintiffs an opportunity to file an amended complaint, which plaintiff filed on February 17, 2020. On April 23, 2020, defendants filed a motion to dismiss, and the court held a hearing on this motion on September 24, 2020. On March 22, 2021, the court granted in part and denied in part this motion. The court dismissed the action as to one Oracle executive and the former Oracle executive. The court permitted plaintiff to proceed with only a narrow omissions theory against the remaining defendants. On April 21, 2021, defendants filed an answer to the complaint. Trial is scheduled to commence on November 6, 2023. We believe that we have meritorious defenses against this action, and we will continue to vigorously defend it.

On February 12 and May 8, 2019, two stockholder derivative lawsuits were filed in the United States District Court for the Northern District of California. The cases were consolidated, and on July 8, 2019, a single plaintiff filed a consolidated complaint. The consolidated complaint brought various claims relating to the 10b-5 class action described immediately above. The parties agreed to stay the derivative case pending resolution of defendants' motion to dismiss the securities case, which the court granted in part and denied in part on March 22, 2021.

Plaintiff filed an amended complaint on June 4, 2021. The derivative suit is brought by an alleged stockholder of Oracle, purportedly on Oracle's behalf, against our Chief Technology Officer, our Chief Executive Officer, and the estate of Mark Hurd. Plaintiff claims that the alleged actions described in the class action discussed above caused harm to Oracle, and that defendants violated their fiduciary duties of candor, good faith, loyalty, and due care by failing to prevent this alleged harm. Plaintiff also brings derivative claims for violations of federal securities laws. Plaintiffs seek a ruling that this case may proceed as a derivative action, a finding that defendants are liable for breaching their fiduciary duties, damages, an order directing defendants to enact corporate reforms, attorneys' fees and costs, and unspecified relief. On June 14, 2021, the court "so ordered" a stipulation from the parties, staying this case pending resolution of the 10b-5 action.

ORACLE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
May 31, 2021

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

Derivative Litigation Concerning Oracle’s Board Composition and Hiring Practices

On July 2 and 10, 2020, two alleged stockholders filed derivative lawsuits in the U.S. District Court for the Northern District of California, purportedly on Oracle’s behalf, and thereafter, filed a consolidated complaint on August 21, 2020. On July 30, 2020, a third alleged stockholder filed a derivative lawsuit in the same court. On October 16, 2020, defendants moved to consolidate all these actions, and the court granted this motion on November 30, 2020.

On December 7, 2020, plaintiffs filed a consolidated derivative complaint against all members of our Board of Directors, and Oracle as a nominal defendant, seeking declaratory and injunctive relief, monetary damages, interest, corporate governance changes, disgorgement, restitution, punitive damages, and an award of attorneys’ fees, expert fees, and costs. Plaintiffs allege that: (a) defendants breached their fiduciary duties by permitting Oracle to violate anti-discrimination laws and Oracle’s own policies, failing to ensure sufficient diversity on the board, failing to ensure an independent board chairman, rehiring Ernst & Young LLP as Oracle’s auditors, and by breaching the HP Settlement Agreement (discussed above); (b) defendants made false and misleading statements in Oracle’s proxy statements; (c) defendants received unjust compensation and were unjustly enriched; (d) defendants aided and abetted this conduct; and (e) our Chief Technology Officer and our Chief Executive Officer are liable for abuse of control. On January 6, 2021, defendants moved to dismiss the complaint. On May 24, 2021, the court granted defendants’ motion. Regarding the claims concerning Oracle’s proxy statements, the court granted plaintiffs leave to file an amended complaint within 30 days. Regarding the remaining claims, the court granted plaintiffs leave to re-file those claims in Delaware Chancery Court.

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

Other Litigation

We are party to various other legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business, including proceedings and claims that relate to acquisitions we have completed or to companies we have acquired or are attempting to acquire. While the outcome of these matters cannot be predicted with certainty, we do not believe that the outcome of any of these matters, individually or in the aggregate, will result in losses that are materially in excess of amounts already recognized, if any.

SCHEDULE II

ORACLE CORPORATION
VALUATION AND QUALIFYING ACCOUNTS

(in millions)	Beginning Balance	Additions Charged to Operations or Other Accounts	Write-offs	Translation Adjustments and Other	Ending Balance
Allowances for Doubtful Trade Receivables					
Year Ended:					
May 31, 2019	\$ 370	\$ 190	\$ (188)	\$ (1)	\$ 371
May 31, 2020	\$ 371	\$ 245	\$ (195)	\$ (12)	\$ 409
May 31, 2021	\$ 409	\$ 192	\$ (243)	\$ 15	\$ 373

Item 16. Form 10-K Summary

None.

**ORACLE CORPORATION
INDEX OF EXHIBITS**

The following exhibits are filed or furnished herewith or are incorporated by reference to exhibits previously filed with the U.S. Securities and Exchange Commission.

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed By
3.01	Amended and Restated Certificate of Incorporation of Oracle Corporation and Certificate of Amendment of Amended and Restated Certificate of Incorporation of Oracle Corporation	8-K 12G3	000-51788	3.01	2/6/06	Oracle Corporation
3.02	Amended and Restated Bylaws of Oracle Corporation	8-K	001-35992	3.02	6/16/16	Oracle Corporation
4.01	Specimen Certificate of Oracle Corporation's Common Stock	S-3 ASR	333-166643	4.04	5/7/10	Oracle Corporation
4.02	Indenture dated January 13, 2006, among Ozark Holding Inc., Oracle Corporation and Citibank, N.A.	8-K	000-14376	10.34	1/20/06	Oracle Systems Corporation
4.03	First Supplemental Indenture dated May 9, 2007 among Oracle Corporation, Citibank, N.A. and The Bank of New York Trust Company, N.A.	S-3 ASR	333-142796	4.3	5/10/07	Oracle Corporation
4.04	Form of 6.50% Note due 2038, together with Officers' Certificate issued April 9, 2008 setting forth the terms of the Note	8-K	000-51788	4.09	4/8/08	Oracle Corporation
4.05	Form of 6.125% Note due 2039, together with Officers' Certificate issued July 8, 2009 setting forth the terms of the Note	8-K	000-51788	4.08	7/8/09	Oracle Corporation
4.06	Form of 2040 Note, together with Officers' Certificate issued July 19, 2010 setting forth the terms of the Note	10-Q	000-51788	4.08	9/20/10	Oracle Corporation
4.07	Form of New 2040 Note	S-4	333-176405	4.5	8/19/11	Oracle Corporation
4.08	Form of 2.50% Note due 2022, together with Officers' Certificate issued October 25, 2012 setting forth the terms of the Note	8-K	000-51788	4.10	10/25/12	Oracle Corporation

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed By
4.09	Form of 3.125% Note due 2025, together with Officers' Certificate issued July 10, 2013 setting forth the terms of the Note	8-K	001-35992	4.11	7/10/13	Oracle Corporation
4.10	Form of 3.625% Note due 2023, together with Officers' Certificate issued July 16, 2013 setting forth the terms of the Note	8-K	001-35992	4.12	7/16/13	Oracle Corporation
4.11	Forms of 2.80% Note due 2021, 3.40% Note due 2024, 4.30% Note due 2034 and 4.50% Note due 2044, together with Officers' Certificate issued July 8, 2014 setting forth the terms of the Notes	8-K	001-35992	4.13	7/8/14	Oracle Corporation
4.12	Forms of 2.50% Notes due 2022, 2.95% Notes due 2025, 3.25% Notes due 2030, 3.90% Notes due 2035, 4.125% Notes due 2045 and 4.375% Notes due 2055, together with Officers' Certificate issued May 5, 2015 setting forth the terms of the Notes	8-K	001-35992	4.13	5/5/15	Oracle Corporation
4.13	Forms of 1.90% Notes due 2021, 2.40% Notes due 2023, 2.65% Notes due 2026, 3.85% Notes due 2036 and 4.00% Notes due 2046, together with Officers' Certificate issued July 7, 2016 setting forth the terms of the Notes	8-K	001-35992	4.1	7/7/16	Oracle Corporation
4.14	Forms of 2.625% Notes due 2023, 2.950% Notes due 2024, 3.250% Notes due 2027, 3.800% Notes due 2037 and 4.000% Notes due 2047, together with Officers' Certificate issued November 9, 2017 setting forth the terms of the Notes	8-K	001-35992	4.1	11/9/17	Oracle Corporation
4.15	Forms of 2.500% Notes due 2025, 2.800% Notes due 2027, 2.950% Notes due 2030, 3.600% Notes due 2040, 3.600% Notes due 2050 and 3.850% Notes due 2060, together with Officers' Certificate issued April 1, 2020 setting forth the terms of the Notes	8-K	001-35992	4.1	4/1/20	Oracle Corporation

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed By
4.16	Forms of 1.650% Notes due 2026, 2.300% Notes due 2028, 2.875% Notes due 2031, 3.650% Notes due 2041, 3.950% Notes due 2051 and 4.100% Notes due 2061, together with Officers' Certificate issued March 24, 2021 setting forth the terms of the Notes	8-K	001-35992	4.1	3/24/21	Oracle Corporation
4.17	Description of Oracle Corporation's Securities Registered Under Section 12 of the Exchange Act	10-K	001-35992	4.15	6/21/19	Oracle Corporation
10.01*	Oracle Corporation Deferred Compensation Plan, as amended and restated as of July 1, 2015	10-Q	001-35992	10.01	9/18/15	Oracle Corporation
10.02*	Oracle Corporation Employee Stock Purchase Plan (1992), as amended and restated as of October 1, 2009	10-K	000-51788	10.02	7/1/10	Oracle Corporation
10.03*	Oracle Corporation Amended and Restated 1993 Directors' Stock Plan, as amended and restated on April 29, 2016	10-K	001-35992	10.03	6/22/16	Oracle Corporation
10.04*	Amended and Restated 2000 Long-Term Equity Incentive Plan, as approved on November 15, 2017	8-K	001-35992	10.04	11/17/17	Oracle Corporation
10.05*	Form of Stock Option Agreement under the Amended and Restated 2000 Long-Term Equity Incentive Plan for U.S. Executive Vice Presidents and Section 16 Officers	10-Q	001-35992	10.05	9/18/17	Oracle Corporation
10.06*	Form of Stock Option Agreement under the Oracle Corporation Amended and Restated 1993 Directors' Stock Plan	10-K	001-35992	10.06	6/25/15	Oracle Corporation
10.07*	Form of Indemnity Agreement for Directors and Executive Officers	10-Q	000-51788	10.07	12/23/11	Oracle Corporation
10.08*	Oracle Corporation Amended and Restated Executive Bonus Plan, as amended and restated as of February 12, 2019	10-Q	001-35992	10.09	3/18/19	Oracle Corporation

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed By
10.09*	Oracle Corporation Stock Unit Award Deferred Compensation Plan, as amended and restated as of July 1, 2015	10-Q	001-35992	10.15	9/18/15	Oracle Corporation
10.10*	Form of Restricted Stock Unit Award Agreement under the Oracle Corporation Amended and Restated 1993 Directors' Stock Plan	10-K	001-35992	10.17	6/25/15	Oracle Corporation
10.11*	Form of Performance-Based Stock Option Agreement under the Amended and Restated 2000 Long-Term Equity Incentive Plan for Named Executive Officers	10-Q	001-35992	10.16	9/18/17	Oracle Corporation
10.12*	Form of Stock Unit Award Agreement under the Amended and Restated 2000 Long-Term Equity Incentive Plan for U.S. Employees (Including Section 16 Officers)	10-Q	001-35992	10.17	9/18/17	Oracle Corporation
10.13*	Oracle Corporation 2020 Equity Incentive Plan	S-8	333-249880	99.1	11/5/20	Oracle Corporation
10.14*	Form of Restricted Stock Unit Agreement under the 2020 Equity Incentive Plan for U.S. Employees	10-Q	001-35992	10.16	12/11/20	Oracle Corporation
21.01†	Subsidiaries of the Registrant					
23.01†	Consent of Independent Registered Public Accounting Firm					
31.01†	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive and Financial Officer					
32.01†	Section 1350 Certification of Principal Executive Financial Officer					

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed By
101‡	Interactive Data Files Pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL: (1) Consolidated Balance Sheets as of May 31, 2021 and 2020, (2) Consolidated Statements of Operations for the years ended May 31, 2021, 2020 and 2019, (3) Consolidated Statements of Comprehensive Income for the years ended May 31, 2021, 2020 and 2019, (4) Consolidated Statements of Equity for the years ended May 31, 2021, 2020 and 2019, (5) Consolidated Statements of Cash Flows for the years ended May 31, 2021, 2020 and 2019, (6) Notes to Consolidated Financial Statements and (7) Financial Statement Schedule II					
104‡	The cover page from the Company's Annual Report on Form 10-K for the year ended May 31, 2021, formatted in Inline XBRL and contained in Exhibit 101					

* Indicates management contract or compensatory plan or arrangement.

‡ Filed herewith.

† Furnished herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ORACLE CORPORATION

Date: June 21, 2021

By: /s/ SAFRA A. CATZ

Safra A. Catz

Chief Executive Officer and Director

(Principal Executive and Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ SAFRA A. CATZ</u> Safra A. Catz	Chief Executive Officer and Director (Principal Executive and Financial Officer)	June 21, 2021
<u>/s/ WILLIAM COREY WEST</u> William Corey West	Executive Vice President, Chief Accounting Officer (Principal Accounting Officer)	June 21, 2021
<u>/s/ LAWRENCE J. ELLISON</u> Lawrence J. Ellison	Chairman of the Board of Directors and Chief Technology Officer	June 21, 2021
<u>/s/ JEFFREY O. HENLEY</u> Jeffrey O. Henley	Vice Chairman of the Board of Directors	June 21, 2021
<u>/s/ JEFFREY S. BERG</u> Jeffrey S. Berg	Director	June 21, 2021
<u>/s/ MICHAEL J. BOSKIN</u> Michael J. Boskin	Director	June 21, 2021
<u>/s/ BRUCE R. CHIZEN</u> Bruce R. Chizen	Director	June 21, 2021
<u>/s/ GEORGE H. CONRADES</u> George H. Conrades	Director	June 21, 2021
<u>/s/ RONA A. FAIRHEAD</u> Rona A. Fairhead	Director	June 21, 2021
<u>/s/ RENÉE J. JAMES</u> Renée J. James	Director	June 21, 2021
<u>/s/ CHARLES W. MOORMAN IV</u> Charles W. Moorman IV	Director	June 21, 2021
<u>/s/ LEON E. PANETTA</u> Leon E. Panetta	Director	June 21, 2021
<u>/s/ WILLIAM G. PARRETT</u> William G. Parrett	Director	June 21, 2021
<u>/s/ NAOMI O. SELIGMAN</u> Naomi O. Seligman	Director	June 21, 2021
<u>/s/ VISHAL SIKKA</u> Vishal Sikka	Director	June 21, 2021

ORACLE CORPORATION
Subsidiaries of the Registrant

<u>Name of Subsidiary</u>	<u>Place of Incorporation</u>
Oracle International Corporation	California
Oracle America, Inc.	Delaware
Oracle Global Holdings, Inc.	Delaware
Oracle Systems Corporation	Delaware
Oracle EMEA & CAPAC Holdings Limited	Bermuda
Oracle International Holdings Limited	Bermuda
OCAPAC Holding Company UC	Ireland
OCAPAC Research Partner UC	Ireland
Oracle EMEA Holdings Limited	Ireland
Oracle Global Partners	Ireland
Oracle International Group Limited	Isle of Man
Delphi Asset Management Corporation	Nevada
Oracle Software Technology GmbH	Switzerland

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-3 No. 333-254166) of Oracle Corporation, and
- (2) Registration Statement (Form S-8 Nos. 333-251303, 333-249880, 333-235503, 333-228899, 333-225829, 333-222139, 333-218996, 333-216796, 333-215835, 333-215171, 333-214106, 333-212182, 333-210287, 333-208632, 333-207038, 333-202870, 333-199617, 333-195502, 333-194705, 333-193006, 333-187924, 333-186971, 333-184062, 333-181023, 333-179586, 333-179132, 333-176986, 333-171939, 333-169089, 333-164734, 333-163147, 333-157758, 333-153660, 333-151045, 333-147400, 333-145162, 333-142776, 333-142225, 333-139901, 333-139875, 333-138694, 333-136275, 333-131988, 333-131427) pertaining to the equity incentive plans of Oracle Corporation;

of our reports dated June 21, 2021, with respect to the consolidated financial statements and schedule of Oracle Corporation and the effectiveness of internal control over financial reporting of Oracle Corporation included in this Annual Report (Form 10-K) of Oracle Corporation for the year ended May 31, 2021.

/s/ Ernst & Young LLP

San Jose, California

June 21, 2021

**CERTIFICATION OF PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER PURSUANT TO
EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Safra A. Catz, certify that:

1. I have reviewed this annual report on Form 10-K of Oracle Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Finance and Audit Committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 21, 2021

By: /s/ SAFRA A. CATZ

Safra A. Catz
Chief Executive Officer and Director
(Principal Executive and Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The certification set forth below is being submitted in connection with the report on Form 10-K of Oracle Corporation for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Safra A. Catz, the Chief Executive Officer (Principal Executive and Financial Officer) of Oracle Corporation, certifies that, to the best of her knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Oracle Corporation.

Date: June 21, 2021

By: /s/ SAFRA A. CATZ

Safra A. Catz
Chief Executive Officer and Director
(Principal Executive and Financial Officer)

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of Oracle Corporation, regardless of any general incorporation language in such filing.

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Oracle America, Inc.

Address: 1900 Oracle Way

City: Reston State/Province/Territory: Virginia Zip/Postal Code: 20190-4733

Country: United States

2. Entity's Vendor Identification Number: 94-2805249

3. Type of Business: Public Corporation (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

Oracle America, Inc. is an indirectly, wholly-owned subsidiary of Oracle Corporation, a public company. Oracle Corporation's material subsidiaries are listed in Exhibit 21.01 of its Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (https://www.sec.gov/ix?doc=/Archives/edgar/data/0001341439/000156459021033616/orcl-10k_20210531.htm). Oracle Corporation's directors and the Security Ownership of Certain Beneficial Owners and Management are listed in its Proxy Statement filed with the U.S. Securities and Exchange Commission (https://s23.q4cdn.com/440135859/files/doc_downloads/proxy-voting-material/Bookmarked-PDF-Proxy-Statement.pdf)

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

Oracle America, Inc. is an indirectly, wholly-owned subsidiary of Oracle Corporation, a public company with many shareholders. Please refer to Form 10-K filed with the U.S. Securities and Exchange Commission (https://www.sec.gov/ix?doc=/Archives/edgar/data/0001341439/000156459021033616/orcl-10k_20210531.htm)

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

Oracle America, Inc. is an indirectly, wholly-owned subsidiary of Oracle Corporation, a public company, with many affiliates and subsidiaries. Oracle Corporation's material subsidiaries are listed in Exhibit 21.01 of its Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (https://www.sec.gov/ix?doc=/Archives/edgar/data/0001341439/000156459021033616/orcl-10k_20210531.htm).

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

--

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:



Dated: 25-Oct-2021 | 2:39 PM PDT

Title: Group Vice President

The above signatory is an authorized representative of Oracle America, Inc. and is signing this form on behalf of Oracle America, Inc. and not in his or her individual capacity.

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

Amendment #2

THIS AMENDMENT dated as of the date of execution by the County (together with the schedules, appendices, attachments and exhibits, if any, this "Amendment"), is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the County Department of Information Technology, having offices located at 240 Old Country Road, Mineola, New York 11501 (the "Department"), and (ii) Oracle America, Inc. (as successor in interest to Oracle USA, Inc.), a Delaware corporation, having its principal office at 500 Oracle Parkway, Redwood Shores, California 94065 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number CFIT09000001 between the County and the Contractor, executed on behalf of the County on May 29, 2009, and amended thereafter February 10, 2015, (the "Original Agreement"), the Contractor performs maintenance and support services for the County in connection with the County's Enterprise Resource Planning ("ERP") software, which services are more fully described in the Original Agreement (the "Services" or "Technical Support Services"); and

WHEREAS, the term of the Original Agreement, for the purpose of annual renewal of Technical Support and Maintenance for ERP software purchased under the Original Agreement as amended, is until May 31, 2019, (the "Term"); and

WHEREAS, the Maximum Amount, as defined in the Original Agreement, that the County agreed to pay the Contractor for Services is One Million, Seven Hundred and Twenty-Six Thousand, Two Hundred and Ninety-One Dollars and Seventy-Five Cents (\$1,726,291.75); and

WHEREAS, the Original Agreement provides for renewal of Technical Support and Maintenance pursuant to an ordering process as outlined in the Original Agreement; and

WHEREAS, County and the Contractor desire to amend the Original Agreement to increase the Maximum Amount to provide funding for additional licenses and future technical support services.

WHEREAS, the services contemplated by this Amendment are personal services within the context and purview of Section 2206 of the County Government Law of Nassau County.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Renewal of Technical Support and Maintenance. The Technical Support and Maintenance shall be renewed until May 31, 2024, for the purpose supporting the ERP software purchased under the Original Agreement, unless sooner terminated as provided for in the Original Agreement.

2. Licenses. County shall purchase additional software licenses as outlined in Contractor's Order Document attached hereto as Attachment A. Future additional licenses may be purchased based on County's needs pursuant to an agreed-upon ordering document executed during the Term of the Original Agreement, as amended herein.
3. Payment. (a) The Maximum Amount shall be increased by **Two Million, Fifteen Thousand, Nine Hundred and Twenty-Seven Dollars and Twenty Cents (\$2,015,927.20)** to total **Three Million, Seven Hundred and Forty-Two Thousand, Two Hundred and Eighteen Dollars and Ninety- Five Cents (\$3,742,218.95)**, payable based on: (i) number of years of renewals as outlined below; and ii) for additional license increments as described in Attachment A; and (iii) for additional licenses as may be ordered by the County in accordance with the Original Agreement and this Amendment; provided, however, that County acknowledges and agrees that any additional licenses shall be purchased at agreed-upon terms and pricing, and in the event agreed-upon pricing for such additional licenses exceeds the Maximum Amount allocated here, County will increase the Maximum Amount prior to entering into any ordering document to fund the purchase of such additional license.

Year of Maintenance	Annual Maintenance	Total Cost of Maintenance
June 1, 2019- May 31, 2020	\$361,344.47	\$361,344.47
June 1, 2020- May 31, 2021	\$368,571.36	\$729,915.83
June 1, 2021- May 31, 2022	\$375,942.78	\$1,105,858.61
June 1, 2022- May 31, 2023	\$383,461.64	\$1,489,320.25
June 1, 2023- May 31, 2024	391,130.87	\$1,880,451.12

(b) Partial Encumbrance. The Contractor understands that only Four Hundred Fifty Thousand, Five Hundred and Forty-Nine Dollars and Thirty-Two Cents (\$450,549.32) for licenses and Technical Support and Maintenance is being encumbered at this time. The Contractor is cautioned not to perform services that would cause billings to exceed this amount unless additional funds are encumbered. The County shall not be liable for payment of any amounts which have not been encumbered and approved for this agreement by the Nassau County Comptroller. Contractor shall have no obligation to perform any services should the County fail to encumber sufficient funds to pay for said services, and Contractor shall have the right to cease support upon County's failure to encumber such funds. Contractor shall work and cooperate with the County to allow County to take reasonable actions necessary to resolve funding matters and minimize interruption to services.

(c) Payments will be made in accordance with the terms set forth in the Original Agreement.

4. Compliance with Law. The "Compliance with Law", Paragraph 8 of the Original Agreement is hereby modified to include the following two additional new sub-sections:

g. Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

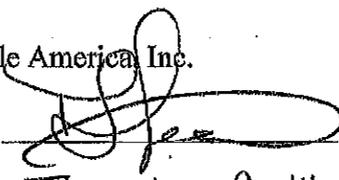
h. Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

5. Full Force and Effect. All the terms and conditions of the Original Agreement not expressly amended herein shall remain in full force and effect and govern the relationship of the parties for the remainder of the Term of this agreement.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the Contractor and the County have executed this Amendment as of the date first above written.

Oracle America, Inc.

By: 

Name: Teresa Lynn Gentile

Title: Team Lead, Deal Specialist

Date: 11-MAR-2019

NASSAU COUNTY

By: _____

Name: _____

Title: Deputy County Executive

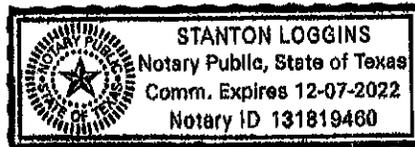
Date: _____

PLEASE EXECUTE IN BLUE INK

STATE OF TEXAS)
) ss.:
COUNTY OF BEXAR)

On the 11th day of March in the year 2019 before me personally came
Teresa-Lynn Gentile to me personally known, who, being by me duly sworn, did depose and say
that he or she resides in the County of Bexar ; that he or she is the Team Lead, Deal Specialist of
Oracle America, Inc. , the corporation described herein and which executed the above
instrument; and that he or she signed his or her name thereto by authority of the board of directors of said
corporation.

NOTARY PUBLIC



Stanton Loggins

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On the _____ day of _____ in the year _____ before me personally came
_____ to me personally known, who, being by me duly sworn, did depose and say
that he or she resides in the County of _____ ; that he or she is a Deputy County Executive
of the County of Nassau, the municipal corporation described herein and which executed the above
instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County
Government Law of Nassau County.

NOTARY PUBLIC

Attachment A



ORDERING DOCUMENT

Oracle America, Inc. 500 Oracle Parkway Redwood Shores, CA 94065

Your Name **NASSAU COUNTY** Your Contact **Vandana Manucha**
 Your Location **99 Grumman Rd W** Phone Number **5165714200**
 Bethpage Email Address **vmanucha@nassaucounty.gov**
 NY 11714

Programs and Program-Related Service Offerings		
Product Description / License Type	Quantity	Net Fee
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual	2910	13,248.74
Software Update License & Support		2,914.72
PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual	2910	16,113.33
Software Update License & Support		3,544.93
PeopleSoft Enterprise Absence Management - Enterprise Perpetual	2910	3,723.97
Software Update License & Support		819.27
PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual	2910	7,877.63
Software Update License & Support		1,733.08
PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee 2910 Perpetual		5,371.11
Software Update License & Support		1,181.64
PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual	2910	7,519.56
Software Update License & Support		1,654.30
PeopleSoft Enterprise Benefits Administration - Enterprise Perpetual	2910	6,087.26
Software Update License & Support		1,339.20
PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual	2910	2,506.52
Software Update License & Support		551.43
PeopleSoft Enterprise Enterprise Learning Management - Employee Perpetual	2910	7,519.56
Software Update License & Support		1,654.30
PeopleSoft Enterprise Workforce Rewards - Enterprise Employee 2910 Perpetual		12,174.5
Software Update License & Support		267.84
PeopleSoft Enterprise Workforce Scorecard - Enterprise Perpetual	2910	1,074.22
Software Update License & Support		236.33
PeopleSoft Enterprise HCM Portal Pack - Enterprise Employee Perpetual	2910	859.38
Software Update License & Support		189.06
Program and Program-Related Service Offerings Fees		89,204.83

Fee Description	Net Fee
Program Fees	73,118.73
Program-Related Service Offerings Fees	16,086.10
Total Fees	89,204.83

**SOFTWARE LICENSE AND SERVICES AGREEMENT 2008
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

May _____, 2009

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V	SERVICES
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APPENDIX A	STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**SOFTWARE LICENSE AND SERVICES AGREEMENT
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

THIS SOFTWARE LICENSE AND SERVICES AGREEMENT (hereinafter "Agreement") is entered into between Nassau County, New York (hereinafter, "Nassau") whose address is 160 Old County Road, Mineola, New York, 11501, and Oracle USA, Inc. (hereinafter "Oracle"), a Colorado corporation whose main office and principal place of business is 500 Oracle Parkway, Redwood Shores, California 94065 and is effective as of the date set forth with the final signature below (the effective date). Orders may be placed under this Agreement for up to three (3) years after its effective date or as otherwise extended by amendment.

WITNESSETH:

WHEREAS, Nassau has determined that its current and future administrative systems needs require that its current aging and diverse systems be replaced; and

WHEREAS, Nassau has determined that the upgrade and replacement of its administrative systems requires the acquisition of a new commercial off-the-shelf integrated information system using Enterprise Resource Planning (hereinafter "ERP") software, and the retention of related services for such software; and

WHEREAS, Nassau issued a Request for Proposal seeking such software and services and thereafter supplemented this with a Request for Clarification, (collectively, the "RFP"); and

WHEREAS, Oracle submitted a proposal, Clarifications, and Best and Final Offers in response to the RFP (hereinafter "Proposal"); and

WHEREAS, based upon the competitive solicitation and evaluation of proposals for the provision of the ERP Software and for the performance of the Services (as hereinafter defined), Nassau has determined that Oracle possesses the qualifications necessary to provide such Software and Services; and that the Proposal offers the best value to Nassau from among the competing proposals received by Nassau, and that Nassau awards this Agreement to Oracle on the basis of the merits of the Proposal; and

WHEREAS, Nassau desires to retain Oracle to provide the Software and Services as set forth hereinafter, and Oracle agrees to provide such Software and perform such Services;

NOW, THEREFORE, in consideration of the terms and the mutual covenants and obligations of the parties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

I. DEFINITIONS

Advanced Customer Services: On-site services, set forth in Exhibit 3, that Nassau may purchase from Oracle under this Agreement.

Agreement: The writing(s) which contain the agreement of Nassau and Oracle setting forth the total legal obligation between the parties as determined by applicable rules of law.

Ancillary Programs: Third party materials specified in the Documentation, which may only be used for the purposes of installing or operating the programs with which the Ancillary Programs are delivered.

Documentation or Program Documentation: Program user manual(s) and Program Installation manual(s) for the Software.

Emergency: An urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk.

Enterprise License: A license grant that permits a defined entity (the "Enterprise") to use the acquired the Software across its Enterprise, where the numerical limits of the license is calculated by reference to its employee count or its operating budget or other agreed upon metric. The specific terms of the Enterprise License are set forth in the Ordering Document.

Error Corrections: Machine executable software code furnished by Oracle which corrects the Software so as to conform to the applicable Documentation of Oracle.

Incremental Licenses: An increase in the number of licenses for Software previously acquired by Nassau. Such Incremental License purchases are accepted upon delivery.

License Effective Date: The date Software is delivered to Nassau. Where a License involves Software which was previously licensed by Nassau, the License Effective Date for the additional licenses shall be deemed to be the date on which the Purchase Order is executed.

Material: Any information, design, specification, instruction, Software, data, or material furnished by Oracle and used by Nassau.

Ordering Document: The Oracle form, signed by both parties, that sets forth the Software and/or Services to be purchased, Software metrics, prices, discounts, and specific terms relevant to the purchase.

New Software Releases (Software Revisions): Any commercially released revisions to the licensed version of the Software as may be generally offered and available to Nassau, if current on technical support. New releases involve a substantial revision of functionality from a previously released version of the Software. Updates are provided when available, and Oracle is under no obligation to develop any future Software or functionality.

Proprietary: Created and / or owned by Oracle, which may be protected by confidentiality, secrecy, patent, copyright or trademark against commercial competition.

Purchase Order: Nassau's fiscal form or format that is used when making a purchase (e.g., formal written Purchase Order, electronic Purchase Order, or other authorized instrument).

Services: Technical support (also referred to as "Maintenance"), training, or Advanced Customer Services that Nassau purchases under this Agreement.

Site: The location (street address) where the Software will be used or Services delivered.

Software or Programs: Software acquired under the terms and conditions set forth in the Agreement. "Software" or "Programs" includes error corrections, upgrades, enhancements, new releases, and updates delivered to Oracle's current subscribers under Technical Support or Maintenance.

Source Code: The programming statements or instructions written and expressed in any language understandable by a human being skilled in the art which are translated by a language compiler to produce executable machine Object Code.

Supported Program License: Programs for which Oracle offers Technical Support.

Technical Support or Maintenance: Technical support services for the Software that are offered by Oracle under this Agreement.

Training: The services provided by Oracle University, as set forth in Exhibit 4.

II. SOFTWARE

Oracle shall provide the Programs in accordance with the following terms and conditions.

A. License Scope: Following delivery of the Software, Nassau is granted a non-exclusive, non-assignable, royalty free, perpetual, limited right to use the Software ordered for its governmental and business operations subject to the terms of this Agreement, including the license definitions and rules and Documentation. For Software that is specifically designed to allow a third party to interact with Nassau in furtherance of Nassau's governmental or business operations, such use is allowed under this Agreement. Nassau may make a sufficient number of copies of the Software for its licensed use and one copy of each software media.

B. Documentation: Documentation is delivered with the Software or Nassau may access the Documentation online at <http://oracle.com/contracts>. Oracle hereby grants to Nassau a perpetual license right to make, reproduce and distribute, either electronically or otherwise, copies of Documentation in accordance with the terms of

the license, and the Documentation fully describes the proper procedure for using the Software.

C. Permitted License Transfers: Upon prior written notice to Oracle, the following license transfers are permitted under this Agreement, at no cost to Nassau, unless the license type specifically prohibits such a transfer:

1. Nassau may transfer Software internally within its own entity;
2. If Nassau is subject to a governmental reorganization or otherwise mandated by its governing body to convey any of its specific functions to another governmental entity, the Software used to support the conveyed functions may be transferred to the entity acquiring the transferred functions. The transferor must discontinue its use of the transferred Software.
3. If Nassau merges with another governmental entity, the Software acquired may be used by the merged entity.

Nothing in this section shall be deemed to relieve Nassau or the transferee entity of the obligation to use the Software in accordance with the terms and conditions of this Agreement and all applicable Ordering Documents placed hereunder, including, without limitation, limiting usage of the Software to the quantity and license type for which such software is licensed.

D. Restricted Use By Outsourcers / Facilities Management, Service Bureaus / or Other Third Parties: Outsourcers, facilities management, consultants and agents (collectively, "Agents") retained by Nassau shall have the limited right to use the Software to maintain Nassau's internal business operations subject to the terms of this Agreement, including data processing, for the time period that they are engaged in such activities, provided that Nassau is responsible for the compliance of its Agents with the terms and conditions of this Agreement and their use of the Software.

E. Archival Back-Up and Disaster Recovery Nassau shall be entitled to use and copy the Software and related Documentation for archival backup and disaster recovery and shall have the rights under "Cold", "Warm" or "Hot" Backup, as defined below, to initiate disaster recovery on such backup systems testing up to four times annually, up to two day per testing, at no charge other as set forth below:

1. "Cold Backup" is a backup copy of the Software, which is retained on Oracle's software media only. In the event of failure of a primary machine, Nassau may download the Software from Oracle's website or it may use the software media to load Oracle's Software on a second machine of Nassau of the same hardware/operating system combination. There is no additional fee for maintaining a Cold Backup.
2. "Warm Backup" is a backup copy of the Software, which is loaded on a machine, which is accessed for the processing of data and/or applications only in the event of a failure of the primary machine. In the event of a failure of the primary machine, the secondary machine is accessed and used to run the Software. There is no additional fee for maintaining a Warm Backup.

3. "Hot Backup" is a copy of the Software, which is loaded on a machine and operated simultaneously with the primary machine. No processing of data or applications takes place on the backup machine. In the event of a failure of the primary machine, all processing is switched to the backup machine in real time. The fee for a Hot Backup is 25% of the contract price of the primary license and/or technical support.

F. Confidentiality Restrictions: The Software is a trade secret, copyrighted and proprietary product of Oracle. Nassau and its employees will keep the Software strictly confidential, and Nassau will not disclose or otherwise distribute or reproduce any Software to anyone other than as authorized under the terms of Agreement. Nassau will not remove or destroy any proprietary markings or notice of Oracle's or its licensors' proprietary rights. Oracle or its licensors retain all ownership and intellectual property rights to the Software.

G. Restricted Use by Nassau: Except as expressly authorized by the terms of this Agreement, Nassau shall not:

1. Copy the Software;
2. Cause or permit reverse engineering (unless required by law for interoperability), disassembly or decompilation of the Software (the foregoing prohibition includes but is not limited to review of data structures or similar materials produced by the Software);
3. Make the Software or Materials resulting from Services available in any manner to any third party for use in the third party's business operations (unless such access is expressly permitted for the specific software license or Materials from the services acquired);
4. Export the Software in violation of any U.S. Department of Commerce export administration regulations;
5. Release benchmarking results: unless required by law or compelled by court order or subpoena, Nassau shall not disclose to third parties not authorized by it to implement or maintain its systems, results of any Software benchmark test without Oracle's prior written consent. The foregoing restriction shall not apply to benchmark results of non-Oracle software which accessed the Software or to benchmark results of an overall system, provided such results: (a) are released only as the benchmark results of such non-Oracle software or of the total system and (b) do not make any reference to Oracle Software. Nassau shall notify Oracle of requests for the release of benchmarking results under the New York State Freedom of Information Law (FOIL) or applications for court orders or subpoenas and give Oracle an opportunity to oppose disclosure.

H. Open Source Software: Open source software is developed independently of Oracle and may be governed by a separate license ("open source software"). If the open source software is governed by a separate license, Oracle shall provide a copy of that license in the applicable Documentation and Nassau's license rights and obligations with respect to that open source software shall be defined by those separate license terms and subject to the conditions, if any, therein. Nothing in this Agreement shall restrict, limit, or otherwise affect any rights or obligations Nassau

may have, or conditions to which Nassau may be subject, under such separate open source license terms.

III. SOFTWARE DELIVERY

Oracle has made available to Nassau for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com>. Through the Internet URL, Nassau can access and electronically download the Software and related Documentation. Provided that Nassau has continuously maintained technical support for the Software, Nassau may continue to download the software and related Documentation. Please be advised that not all programs are available on all hardware / operating system combinations. For current program availability please check the electronic delivery web site. Nassau acknowledges that Oracle's delivery obligation under this Agreement is met by the provision of the electronic delivery web site URL. Provided Nassau continuously maintains Technical Support, CD Packs for the Software provided under the Ordering Document may be ordered through the Oracle Store independent of this Agreement. If Nassau loses or damages the media containing a Program licensed here under, upon Nassau's written notice Oracle will provide a replacement copy thereof, for a media and shipping charge. The following shipping terms shall apply: FCA Shipping Point, Prepaid, and Add. These terms shall also apply to any options exercised by Nassau. Unless otherwise agreed to by Nassau and Oracle, Nassau shall be responsible for installation of the Software.

Nassau acknowledges that, unless otherwise provided for in this Agreement, it accepts sole responsibility for (i) its system configuration, design and requirements, (ii) the selection of the Programs to achieve its intended results, and (iii) modifications, changes or alterations to the Programs.

IV. SOFTWARE ACCEPTANCE

A. Unless otherwise provided by mutual agreement of Nassau and Oracle, Nassau shall have sixty (60) days from the date of delivery to accept all Software. Where Oracle is responsible for installation, acceptance shall be from completion of installation. Failure to provide notice of acceptance or rejection to Oracle by the end of the period provided for under this clause constitutes acceptance by Nassau as of the expiration of that period. Nassau may, in writing, waive the Acceptance Period, or any part thereof, at any time.

If Nassau rejects the Software, it shall (a) cease using the applicable Software, and (b) certify to Oracle that it has destroyed or has returned to Oracle the Software, Documentation and all copies. This requirement applies to copies in all forms, partial and complete, in all types of media and computer memory, and whether or not modified or merged into other materials.

Oracle may offer Nassau a free trial of the Software pursuant to (B) immediately below. If Nassau accepts such free trial license for the Software, the length of the trial shall count toward the sixty (60) day acceptance period and such trial license will grant to Nassau the right to examine the Software for at least sixty (60) days (unless the parties thereto agree otherwise). Upon the expiration of such period,

Nassau must either issue a Purchase Order to Oracle for purchase of the Software or portions thereof in accordance with this Agreement, or forthwith discontinue all use and return the Software to Oracle. Nassau shall be deemed to have tested the Software to its satisfaction and accepted the Software upon its issuance of the Purchase Order.

If any agreed trial license period is less than sixty (60) days, then in addition to the trial license period, Nassau shall have the number of days to accept the Software that is the difference between sixty (60) days and the length of the agreed trial license, provided Nassau notifies Oracle in writing of its intention to use such acceptance period at the time Nassau issues its Purchase Order. Notwithstanding the foregoing, this provision does not apply to purchases which merely increase the number of licenses for software previously acquired by Nassau ("incremental licenses"). Such incremental license purchases are accepted upon delivery.

- B. **Trial Software.** Nassau may order trial Software, or Oracle may include additional trial Software with the order which Nassau may use for trial, non-production purposes only. Nassau may not use the trial Software to provide or attend third party training on the content and/or functionality of the Software. Nassau has sixty (60) days from delivery to evaluate such trial Software. If it decides to use any of this trial Software after the sixty (60) day trial period, Nassau must obtain a license for such trial Software from Oracle. If it decides not to obtain a license for the trial Software after the sixty (60) day trial period, Nassau will cease using and will delete any such trial Software from its computer systems. Software licensed for trial purposes is provided "as is" and Oracle does not provide technical support or offer any warranties for these programs.

V. SERVICES

- A. Nassau may acquire Technical Support (maintenance), Advanced Customer Services, and Training, under this Agreement. The rates for the purchase of Advanced Customer Services and Training are set forth in Exhibits 3 and 4, respectively. The terms for the purchase of Technical Support are set forth in the Article immediately below and in the Technical Support policies attached as Exhibit 1.
- B. Upon payment for Services, Nassau will have a perpetual, non-exclusive, non-assignable, royalty free license to use for its internal business operations, anything developed by Oracle and delivered to Nassau. Nassau may allow its agents and contractors to use the deliverables for such purpose and Nassau is responsible for their compliance with this Agreement and the Ordering Document. Oracle retains ownership and all intellectual property rights to anything developed by it and delivered by it under the applicable Ordering Document resulting from the Services, except as stated in (C) immediately below.
- C. **Advanced Customer Services ("ACS").** The only consulting services offered by Oracle under this Agreement are Advanced Customer Services ("ACS"). Oracle states that no development or customization work can be provided pursuant to the performance of the ACS.

To the extent that Oracle may produce incidental deliverables in the performance of ACS and following payment of all fees for the applicable ACS order: (a) the allocation of ownership and license rights to such incidental deliverables shall be the Joint Property (as defined below) of both Oracle and Nassau; and (b) Oracle grants to Nassau a non-exclusive, non-assignable, royalty free, perpetual, internal-use license to use Oracle Works (as defined below) that are embodied in the Joint Property.

1. "Incidental Deliverables" shall mean those deliverables developed by Oracle solely for Nassau in the performance of the applicable Ordering Document, except for any Oracle Works (as defined below).
2. "Oracle Works" shall mean: (a) anything provided by or on behalf of Oracle from a repository; (b) any software code generated by computer aided software engineering (CASE) tools; (c) any tools, interfaces, and utilities developed by or on behalf of Oracle; and (d) any derivative works of (a), (b), or (c) above. Nothing in this section shall be construed to grant, amend, or modify any license for any Software or Documentation owned or distributed by Oracle.
3. "Joint Property" shall mean the Incidental Deliverables which are those deliverables developed using ACS and shall be owned jointly by Oracle and Nassau; Joint Property does not include any Oracle Works (as defined above). Oracle and Nassau agree that each party jointly shall own the copyright interest in the Joint Property and that each party may freely use, share, license or sub-license the Joint Property without requiring the approval of the other party, and shall have no duty of accounting to the other party for use of the Joint Property.

Oracle retains all right, title and interest, including all copyrights, in any Oracle Works and Software. Any property or material furnished by Nassau to Oracle hereunder is and will remain the property of Nassau.

- D. At Nassau's request, Oracle shall provide Nassau with the resumes of all Oracle's employees, consultants, and subcontractors who shall perform Services at Nassau's site under this Agreement. Nassau shall have the right to conduct interviews, unless otherwise agreed to by the parties, of all such employees, consultants, or subcontractors provided such interview occurs before the commencement of Services by the relevant employees, consultants or subcontractors. Nassau shall have the right to reject assignment of any Oracle employee, consultant, or subcontractor to a particular Service by providing Oracle a reasonable and non-discriminatory basis for such rejection. This paragraph shall not apply to the provision of Technical Support Services.
- E. The Services provided under this Agreement may be related to Nassau's license to use Programs which it acquires under a separate order. The Agreement referenced in that order shall govern Nassau's use of such Programs. Any Services acquired from Oracle are bid separately from such Program licenses, and Nassau may acquire either Services or such Program licenses without acquiring the other.

VI. TECHNICAL SUPPORT & MAINTENANCE

- A. Technical Support consists of annual technical support services ordered by Nassau for the Software. Payment shall be due quarterly in arrears or as otherwise agreed to by the parties. If ordered, annual Technical Support (including first year and all subsequent years) is provided under Oracle's Technical Support Policies that are attached to this Agreement at the time the Services are ordered. The Technical Support Policies shall be updated annually by amendment to this Agreement. Nassau should review the Technical Support Policies prior to ordering the applicable services.**

Technical support is effective upon the effective date of the Ordering Document unless otherwise stated therein. The effective date of an order is when the Ordering Document is fully signed and Oracle receives the Purchase Order; provided however, if the order is subject to an acceptance period, the effective date will be upon acceptance.

The Technical Support service level, which may also be referred to as Software Update License & Support, (or any successor technical support offering to Software Update License & Support, "SULS") acquired with Nassau's order may be renewed annually and, if Nassau renews SULS for the same number of licenses for the same Software, Nassau will be entitled to receive the caps on fee increases which are set forth in Exhibit 1.

If Nassau decides to purchase Technical Support for any Software within a license set, Nassau is required to purchase Technical Support at the same level for all Software within that license set. Nassau may desupport a subset of Software in a license set only if there is also agreement to terminate that subset of licenses. The Technical Support fees for the remaining licenses will be priced in accordance with the Technical Support Policies in effect at the time of termination. The applicable discount to be used in the event of support re-pricing is set forth in Exhibit 2. Oracle's license set definition is available in the Technical Support Policies. If Nassau decides not to purchase Technical Support, Nassau may not update any unsupported Software with new versions of the Software.

Technical Support term(s) and any renewal(s) thereof are independent of the expiration of this Agreement and will not automatically renew. Nassau may discontinue Technical Support at the end of any current Technical Support term. In the event that Nassau discontinues Technical Support of Software, it may, at any time thereafter, reinstate Technical Support for the Software without any additional penalties or other charges, by paying Oracle the amount which would have been due under the order for the period of time that such Technical Support had lapsed.

- B. Oracle's Technical Support offering, entitled "Lifetime Support", is comprised of the following:**
- 1. Premier Support:** Premier Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; major product and technology releases, access to Oracle's Customer Service Website, and certification with new third-party products/versions.

2. **Extended Support:** Oracle may grant Nassau the right to acquire an additional three years of Extended Support. Extended Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; access to its Customer Service Website; and major product and technology releases. Extended Support does not include certification with new third-party products/versions.
3. **Sustaining Support:** As an alternative to Extended Support, Oracle grants Nassau the right to acquire Sustaining Support for as long as it licenses the Software. Sustaining Support provides access to Oracle's Customer Service Support Website, pre-existing fixes, and major product and technology releases. Sustaining Support does not include Updates, fixes, and security alerts; Tax, legal, and regulatory updates; Certification with new third-party products/versions; and Certification with other Oracle products.

Additional information about Oracle's Lifetime Support offering may be found in the Technical Support Policies, attached as Exhibit 1.

C. Successor Products and Re-Named Programs.

1. **Successor Products.** If Oracle makes successor products available for Oracle's product lines ("New Software") that includes substantially similar functionality and features as a Program for which Nassau has purchased a Program License ("Old Software"), Oracle will provide Nassau with a migration path from the Old Software to the New Software and the right to use the New Software under this Agreement at no additional charge, provided that (i) Nassau is current on Technical Support for the Old Software; (ii) this right shall only apply to New Software that is available in production release status on the operating system identified by Nassau at the time of the request; and (iii) Oracle is currently making available, such migration path from the Old Software to the New Software to all of its other supported customers without additional charge.
If Oracle does not provide to all of its supported customers a migration path from the Old Software to the New Software free of additional charge, then Oracle will provide Nassau with the right to use only the functionality and features contained in the New Software that is substantially similar to the functionality and features contained in the Old Software. Nassau shall not have the right to use nor shall it use any additional functionality or features in such New Software. All use of New Software shall otherwise be subject to this Agreement.
2. **Re-Named Programs.** If any Program licensed under this Agreement ("Original Program") is re-named or divided into two or more separate Programs ("Re-Named Program") and the functionality of the Re-Named Program is and remains the same as the functionality of the Original Program, and Oracle makes such Re-Named Program generally available at no additional license fees to all of its customers who have maintained Technical Support for the Original Program, then Oracle shall provide the Re-Named Program to Nassau for no additional license fees, provided that the Re-Named Program is available in production release and that Nassau is current on Technical Support for the Original Program pursuant to Oracle's Technical

Support Policies (or reinstated Technical Support for such Program pursuant to Oracle's then current Technical Support Policies).

In the event that Oracle offers successor or renamed programs, as referenced above, Oracle will notify Nassau of the affected Software to the same extent and in the same manner that it provides notification to its other supported customers of the affected Software. The parties acknowledge that Oracle offers Lifetime Support for many of its Programs; if Lifetime Support is offered for a Program, such Program is not deemed to be discontinued under the meaning of this section.

VII. SOURCE CODE

Oracle shall retain in escrow a copy of the source code necessary to support the Software (not including any Software for which source code is delivered with such Software). The escrowed material shall be maintained under an agreement which provides that if Oracle ceases to be in the business of supporting the Software, the escrow agent shall furnish Nassau with a copy of the escrowed material that has become unsupported. Nassau shall pay the escrow agent a nominal fee sufficient to cover the cost of reproduction and distribution of source materials, including reasonable administrative expenses thereto. Any escrowed material furnished under this provision shall be considered licensed subject to the terms of this Agreement and shall be used solely to maintain the Software. If Oracle replaces Iron Mountain Intellectual Property Management with a substitute escrow agent, Nassau will receive notice of the name and address of the substitute agent.

VIII. COMPENSATION / PAYMENTS / INVOICES

- A. Upon acceptance of Software or as otherwise provided by Agreement, Oracle may invoice for payment. The required payment date shall be thirty (30) calendar days, excluding legal holidays, from the receipt and approval by the County Comptroller of a proper invoice and County Claim Voucher, in accordance with paragraph B.
- B. All payment invoices shall include, at a minimum, the following terms:
 - 1. Delivery on official form of Oracle;
 - 2. Name, Address and Remittance Address of Oracle if different from that contained in the introductory paragraph of this Agreement;
 - 3. Agreement Number;
 - 4. An executed County Claim Voucher detailing of the Programs or Services for which Oracle requests payment;
 - 5. Total amount to be invoiced.
- C. Oracle shall submit all payment invoices to the designated payment office for this Agreement, which shall be, unless Oracle receives written notification to the contrary, the address listed in the first paragraph of this Agreement.
- D. The fees due under an Ordering Document signed by Nassau and Oracle shall be non-cancelable and the sums paid nonrefundable, except as expressly provided therein or in this Agreement.
- E. Nassau's signature on an Ordering Document referencing this Agreement and Nassau's issuance of a purchase order are its representations to Oracle

that the purchase has been fully authorized and that all funds for the purchase have been fully appropriated.

- F. Nassau agrees that it has not relied on the future availability of any Programs or Updates in entering into the payment obligations arising under this Agreement; however, (a) if Nassau orders SULS for programs, the preceding sentence does not relieve Oracle of its obligation to provide Updates under this Agreement or the relevant Ordering Document, if-and-when available, in accordance with Oracle's then current Technical Support Policies, and (b) the preceding sentence does not change the rights granted to Nassau for any program licensed under this Agreement or the relevant Ordering Document, per the terms of this Agreement and/or the Ordering Document.
- G. Submission of an invoice and payment thereof shall not preclude Nassau from reimbursement or demanding a price adjustment where the billing was inaccurate. Oracle shall provide, upon request of Nassau, the information reasonably necessary to verify the accuracy of the billings. Such information shall be provided in the format reasonably requested by Nassau and in a media commercially available from Oracle.
- H. If Nassau is exempt from sales tax, Oracle will not invoice it for applicable sales tax provided a copy of a valid sales tax certificate of exemption is provided to Oracle on or before the effective date of this Agreement. Also, Nassau will reimburse Oracle for reasonable expenses related to providing the Services. Fees for Services listed in an Ordering Document are exclusive of taxes and expenses.

IX. WARRANTY

- A. **Title and Ownership Warranty.** Oracle warrants that it possesses (i) full ownership, clear title free of all liens, or (ii) the right to transfer or deliver perpetual or term license rights to the Software. Oracle shall be solely liable for its costs of acquisition of such ownership rights and/or clear title. Notwithstanding any language to the contrary in this Agreement, Article X(A), *Intellectual Property Infringement Indemnification*, of this Agreement states Nassau's exclusive remedy and Oracle's entire liability for any breach of this particular warranty.
- B. **Software Warranty.** Software offered shall be a current production release. Oracle warrants that the Software will perform in all material respects as described in the Documentation for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Program warranty deficiency within eighteen (18) months after acceptance.

For Nassau's initial purchase of Software under this Agreement only, Oracle also warrants that the Software will perform in all material respects in accordance with Oracle's response to the functional and technical requirements attached as Exhibit 5 for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Software warranty deficiency under this paragraph within eighteen (18) months year after acceptance of the initial purchase of the Software.

- C. **Virus Warranty.** Oracle represents and warrants that prior to delivery Oracle shall use commercially reasonable methods to test and protect the Software against viruses and other harmful elements designed to disrupt the orderly operation of, or impair the integrity of data files resident on, any data processing system. Oracle represents and warrants that it will not deliver Software that contains any known virus. Oracle will also maintain a master copy of the appropriate versions of the Software, free of viruses. If Nassau believes a virus may be present in the delivered Software, then upon its request, Oracle will provide a master copy to Nassau for comparison with and correction of its copy of the Software.
- D. **Date/Time Warranty.** Oracle represents that during the term of this Agreement, including any extension or renewal hereof, the Software shall, when used in accordance with the Program Documentation, be able to accurately process (including, but not limited to, calculating, comparing, and sequencing) date/time data transitions, including leap year and daylight savings time calculations.
- E. **Services Warranty.** Oracle warrants that the Services will be provided in a professional manner in accordance with industry standards. Nassau must notify Oracle of any Services warranty deficiencies within ninety (90) days from performance of the Service that gave rise to the warranty claim.
- F. **Survival of Warranties.** All warranties contained in this Agreement, which have not expired by their terms, shall survive the termination of this Agreement.
- G. **NO IMPLIED WARRANTIES**
TO THE EXTENT PERMITTED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- H. Oracle does not warrant or guarantee that the Software will be error free or operate without interruption or that Oracle will correct all Software errors. Oracle is not obliged to develop error corrections or updates for Nassau's benefit but, in the event such corrections or updates are made generally commercially available by Oracle at no additional charge, Oracle shall provide them to Nassau at no additional charge. Nassau acknowledges that the Software has not been prepared to meet its individual requirements; it is Nassau's responsibility to ensure that the facilities and functions described in its specification meet its requirements, and Nassau is solely responsible for results obtained from its use of the Software.
- I. **EXCLUSIVE REMEDIES.** FOR ANY BREACH OF THE WARRANTIES IN B, D AND E ABOVE, NASSAU'S EXCLUSIVE WARRANTY REMEDY, AND ORACLE'S ENTIRE WARRANTY LIABILITY, SHALL BE: (A) THE CORRECTION OF SOFTWARE ERRORS THAT CAUSE BREACH OF THE WARRANTY, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT SUCH BREACH IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END ITS SOFTWARE LICENSE AND RECOVER THE FEES PAID TO ORACLE FOR THE SOFTWARE LICENSE; OR (B) THE REPERFORMANCE OF THE DEFICIENT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH

IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END THE RELEVANT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT SERVICES.

X. INDEMNIFICATION AND LIABILITY

- A. Intellectual Property Infringement Indemnification.** Oracle will also indemnify and hold Nassau harmless from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs that may be finally assessed against Nassau in any action for infringement of a United States Letter Patent, or of any copyright, trademark, trade secret or other third party proprietary right based upon Materials provided to Nassau by Oracle and except to the extent such claims arise from Nassau's negligence or willful misconduct, provided that Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, no later than 30 days after it receives notice of the claim (or sooner if required by law) (ii) sole control to settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. Nassau reserves the right to join such action, at its sole expense, when it determines there is an issue involving a significant public interest.

If usage shall be enjoined for any reason or if Oracle believes that it may be enjoined, Oracle shall have the right, at its own expense and sole discretion: (i) to procure for Nassau the right to continue Usage (ii) to modify the material so that usage becomes non-infringing, while preserving its utility or functionality, or if these alternatives are not commercially reasonable, Oracle may terminate the license for, and require return of, the Material and refund any fees Nassau may have paid for it. Oracle will not indemnify Nassau if it alters the Material or uses it outside the scope of use identified in the Documentation or if Nassau uses a version of the Materials which has been superseded, to the extent the infringement claim could have been avoided by using an unaltered current version of the Material which was provided to Nassau and Nassau either has actual knowledge or is notified by Oracle to use such version due to a potential or existing infringement claim; any such notice will be in writing or, for any software licensed under this Agreement, may be posted at Oracle's customer support web site or included with a software update. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon any information, design, specification, instruction, software, data, or material not furnished by Oracle. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon the combination of any Material with any products or services not provided by Oracle except where such combinations are expressly specified by Oracle in the Documentation. Oracle will not indemnify Nassau for infringement caused by its actions against any third party if the Program(s) as delivered to Nassau and used in accordance with the terms of this Agreement would not otherwise infringe any third party intellectual property rights.

In the event that an action at law or in equity is commenced against Nassau arising out of a claim that Nassau's use of the Material under the Agreement infringes any patent, copyright or proprietary right, and Oracle is of the opinion that the allegations in such action in whole or in part are not covered by the indemnification and defense

provisions set forth in the Agreement, Oracle shall promptly notify Nassau in writing and shall specify to what extent Oracle believes it is obligated to defend and indemnify under the terms and conditions of the Agreement. Oracle shall in such event attempt to secure a continuance to permit Nassau to appear and defend its interests in cooperation with Oracle, as is appropriate, including any jurisdictional defenses Nassau may have. This Article X(A) constitutes Nassau's sole and exclusive remedy for any infringement claims or damages.

B. Personal Injury / Property Damage Indemnification. Oracle shall be fully liable for any act or omission of Oracle, its employees, Subcontractors and agents, and shall fully indemnify and hold harmless Nassau from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or tangible personal property caused by fault or negligence of Oracle, its employees, Subcontractors or agents arising from Oracle's performance of this Agreement, **without limitation**; provided, however, that Oracle shall not be obligated to indemnify Nassau for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of Nassau or the acts of third parties, other than those provided by Oracle to perform under the Agreement. In connection with the foregoing, Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. This paragraph does not apply to any claims arising from damage to "intangible personal property," which includes documentation, software, data or data files that are in electronic format.

C. Limitation on Liability. EXCEPT AS OTHERWISE SET FORTH IN THE INDEMNIFICATION PARAGRAPHS ABOVE, THE LIMIT OF LIABILITY SHALL BE AS FOLLOWS:

1. ORACLE'S LIABILITY FOR ANY DAMAGES ARISING OUT OF, OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL IN NO CASE EXCEED DIRECT DAMAGES IN: (I) AN AMOUNT EQUAL TO TWO (2) TIMES THE CHARGES SPECIFIED IN THE PURCHASE ORDER FOR THE SOFTWARE AND SERVICES, OR PARTS THEREOF FORMING THE BASIS OF NASSAU'S CLAIM, (SAID AMOUNT NOT TO EXCEED A TOTAL OF TWELVE (12) MONTHS CHARGES PAYABLE UNDER THE APPLICABLE PURCHASE ORDER) OR (II) ONE MILLION DOLLARS (\$1,000,000), WHICHEVER IS GREATER. NOTWITHSTANDING THE LIMITATION IN THE FIRST SENTENCE OF THIS PARAGRAPH (1), ORACLE'S LIABILITY TO NASSAU FOR DAMAGES RESULTING FROM THE WRONGFUL DISCLOSURE OF PERSONAL DATA BY ORACLE IN ITS PERFORMANCE OF TECHNICAL SUPPORT SERVICES IN BREACH OF ORACLE'S OBLIGATIONS UNDER ARTICLE XI(D) (CONFIDENTIALITY AND NON-DISCLOSURE) SHALL NOT EXCEED THE GREATER OF: (A) \$1,000,000 OR (B) TWO TIMES THE FEES PAID BY NASSAU UNDER THIS AGREEMENT FOR TECHNICAL SUPPORT WITHIN THE TWO (2) YEARS IMMEDIATELY PRECEDING THE ACTION THAT GAVE RISE TO THE BREACH.

- 2. NOTWITHSTANDING THE ABOVE, NEITHER ORACLE OR NASSAU SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE OR LOSS OF PROFIT BY NASSAU, ORACLE, OR BY OTHERS.**

XI. CONFIDENTIALITY AND NON-DISCLOSURE

- A. As used in this Section, "Disclosing Party" means Nassau when disclosing its Confidential Information (defined below) to Oracle, or Oracle when disclosing its Confidential Information to Nassau, and "Receiving Party" means Nassau when receiving disclosure of Confidential Information from Oracle, or Oracle when receiving disclosure of Confidential Information from Nassau. "Confidential Information" means all confidential information disclosed by a party (the "Disclosing Party") to the other party (the "Receiving Party") after the effective date of this Agreement including, without limitation, information relating to the Disclosing Party's operations, processes, plans or intentions, know-how, design rights, trade secrets or business affairs. Confidential Information shall be clearly marked as "confidential," "proprietary," "restricted" or some similar designation. Except as provided in this Agreement and specifically in Article XI(B) hereunder, the Receiving Party further agrees that any Confidential Information obtained by the Receiving Party from the Disclosing Party, its agents, subcontractors, officers, or employees in the course of performing its obligations, including without limitation, security procedures, business operations information, or commercial proprietary information in the possession of the Disclosing Party hereunder, will not be divulged to any third parties. Nassau acknowledges that the Source Code to the Software and the Documentation are Confidential Information of Oracle.**
- B. The Receiving Party:**
- 1. may not use any Confidential Information for any purpose other than in accordance with, and in the performance of, its obligations under this Agreement;**
 - 2. may not disclose any Confidential Information to any person except with the prior written consent of the Disclosing Party or in accordance with Section C; and**
 - 3. shall make every reasonable effort to prevent the use or disclosure, other than as expressly permitted herein, of Confidential Information.**
- C. The Receiving Party may disclose information, which would otherwise be Confidential Information if and to the extent that:**
- 1. it is required by law (such as the New York State Freedom of Information Law);**
 - 2. the information has come into the public domain, otherwise than through (a) a breach of this Clause by the Receiving Party, (b) a third party's breach of any duty of confidentiality owed to the Disclosing Party of which the Receiving Party was aware, or (c) a violation of law;**

3. It was in the Receiving Party's lawful possession prior to the disclosure and had not been obtained by the Receiving Party either directly or indirectly from the Disclosing Party;
 4. It is required by existing contractual obligations of which the Disclosing Party is aware;
 5. It is independently developed by the Receiving Party without reliance on the Confidential Information;
 6. It is required by any securities exchange or regulatory or governmental body to which it is subject or by judicial process;
 7. It is otherwise obtained under the Freedom of Information Law or other applicable New York State laws or regulations; or
 8. the disclosure is to its professional advisers, auditors or banker; or to any of its directors, other officers, employees and subcontractors (a "Recipient") to the extent that disclosure is reasonably necessary for the purposes of this Agreement.
- D. In addition to the foregoing, Nassau represents that it has certain obligations with regard to the use and protection of Personal Data. "Personal Data" means non-public, personally identifiable information of Nassau's employees or citizenry. Oracle will not store, maintain or process any Personal Data on Nassau's behalf connection with the provision of programs, related technical support and other services under the Agreement. Any access by Oracle to Personal Data will be incidental to the software and related services provided by Oracle to Nassau. Nassau agrees that it will endeavor not to unnecessarily provide any Personal Data to Oracle under the Agreement. To the extent that Oracle has any incidental access to Personal Data in providing its Software and services to Nassau, Oracle agrees that (1) it shall not disclose or use Personal Data except to the extent reasonably required to carry out its obligations under the Agreement; and (2) it shall maintain appropriate information security measures to protect such Personal Data from unauthorized disclosure or use. The obligations set forth in this paragraph shall survive termination of this Agreement.

XII. BREACH

- A. **Breach, Generally.** If either party breaches a material term of this Agreement and fails to correct the breach within 30 days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate this Agreement, subject to the Dispute Resolution process set forth in the Article immediately below.
- B. **Failure to Make Payment.** In the event Nassau fails to make payment to Oracle for Software or Services delivered and accepted, and invoiced as set forth herein, within thirty (30) days of such delivery and acceptance, Oracle may, upon 10 days advance written notice to Nassau's purchasing official, suspend additional shipments of Software or provision of Services to Nassau until such time as reasonable arrangements have been made and assurances given by such entity for current and future payments. If the breach is for the failure to pay for Software and the breach continues unabated, upon written notice of termination, Oracle may terminate

Nassau's license for the unpaid-for Software. Notwithstanding the foregoing, Oracle shall, at least 10 days prior to declaring a breach of contract by Nassau, by certified or registered mail, notify the purchasing official of Nassau of the specific facts, circumstances and grounds upon which a breach will be declared. It is understood, however, that if Oracle's basis for declaring a breach is insufficient, Oracle's declaration of breach and failure to service Nassau shall constitute a breach of its Agreement and Nassau may thereafter seek any remedy available at law or equity.

C. Remedies for Breach. It is understood and agreed that all rights and remedies afforded below shall be in addition to all remedies or actions otherwise authorized or permitted by law, except where expressly limited in this Agreement:

1. **Cover/Substitute Performance.** In the event of Oracle's material, uncured breach, Nassau may, with or without formally bidding: (i) purchase from other sources; or (ii) if Nassau is unsuccessful after making reasonable attempts, under the circumstances then existing, to timely obtain acceptable service or acquire replacement software of equal or comparable quality, Nassau may acquire acceptable replacement software of lesser or greater quality. Such purchases may, in the discretion of Nassau, be deducted from the Agreement quantity and payments due Oracle.
2. **Withhold Payment.** In any case where a reasonable question of material non-performance by Oracle arises, payment may be withheld in whole or in part at the discretion of Nassau.
3. **Bankruptcy.** In the event that Oracle files a petition under the U.S. Bankruptcy Code during the term of this Agreement, Nassau may, at its discretion, make application to exercise its right to set-off against monies due the Debtor or, under the Doctrine of Recoupment, credit Nassau the amounts owed by Oracle arising out of the same transactions.
4. **Reimbursement of Costs Incurred.** Oracle agrees to reimburse Nassau promptly for any and all additional costs incurred for acquiring acceptable services, and/or replacement software. Should the cost of cover be less than the price charged under this Agreement, Oracle shall have no claim to the difference.
5. **Deduction/Credit.** Sums due as a result of these remedies may be deducted or offset by Nassau from payments due, or to become due, Oracle on the same or another transaction. If no deduction or only a partial deduction is made in such fashion Oracle shall pay to Nassau the amount of such claim or portion of the claim still outstanding, on demand.

XIII. DISPUTE RESOLUTION

- A.** In the event there is a dispute or controversy under this Agreement, the parties agree to exercise their best efforts to resolve the dispute as soon as possible. The parties shall, without delay, continue to perform their respective obligations under this Agreement, which are not affected by the dispute.
- B.** In the event Nassau is dissatisfied with Oracle's Software or Services provided under this Agreement, Nassau shall notify Oracle in writing. In the event Oracle has any disputes with Nassau, Oracle shall so notify Nassau in writing. If either party notifies the other of such dispute or controversy, the other party shall then make

good faith efforts to solve the problem or settle the dispute amicably, including meeting with the party's representatives to attempt diligently to reach a satisfactory result.

- C. If negotiation between such persons fails to resolve any such dispute to the satisfaction of the parties within 14 business days or as otherwise agreed to by the parties, of such notice, then the matter shall be submitted to Nassau's senior county executive and Oracle's senior officer of the rank of Vice President or higher as its representative. Such representatives shall meet in person and shall attempt in good faith to resolve the dispute within the next 14 business days or as otherwise agreed to by the parties. This meeting must be held before either party may seek any other method of dispute resolution, including judicial or governmental resolutions. Notwithstanding the foregoing, this Article shall not be construed to prevent either party from seeking and obtaining temporary equitable remedies, including injunctive relief.
- D. Oracle shall extend the dispute resolution period for so long as Nassau continues to make reasonable efforts to cure the breach, except with respect to disputes about the breach of payment of fees or infringement of its or its licensors' intellectual property rights.
- E. This Article XIII does not apply to any breach by Nassau of Oracle's or its licensor's intellectual property rights.

XIV. TERMINATION

The following termination provisions are subject to the Dispute Resolution provision, to terms of the Technical Support Policies, and other provisions of this Agreement. Termination under this Article does not relieve Nassau of its obligation to pay for Programs or Services delivered by Oracle under this Agreement.

- A. **For Cause:** For a material breach that remains uncured for more than thirty (30) days or other specified period after written notice to Oracle, the Agreement or Purchase Order may be terminated by Nassau at Oracle's expense where Oracle becomes unable or incapable of performing, or meeting any requirements or qualifications set forth in the Agreement, or for non-performance, or upon a determination that Oracle is non-responsible. Such termination shall be upon written notice to Oracle. In such event, Nassau may complete the contractual requirements in any manner it may deem advisable and pursue available legal or equitable remedies for breach. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid fees and charges incurred through the date of the termination.
- B. **For Convenience:** By written notice, this Agreement may be terminated at any time by Nassau for convenience upon sixty (60) days written notice or other specified period without penalty or other early termination charges due. Such termination of the Agreement shall not affect any Purchase Order that has been issued under the Agreement prior to the date of such termination. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid

charges incurred through the date of the termination. Oracle shall use due diligence and provide any outstanding deliverables.

XV. FORCE MAJEURE

A force majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled. Force majeure includes, but is not limited to, acts of God, acts of war, acts of public enemies, strikes, fires, explosions, actions of the elements, floods, or other similar causes beyond the control of Nassau or Oracle in the performance of the Agreement which non-performance, by exercise of reasonable diligence, cannot be prevented. Oracle shall provide Nassau with written notice of any force majeure occurrence as soon as the delay is known.

Neither Nassau nor Oracle shall be liable to the other for any delay in or failure of performance under the Agreement due to a force majeure occurrence. Any such delay in or failure of performance shall not constitute default or give rise to any liability for damages. The existence of such causes of such delay or failure shall extend the period for performance to such extent as determined by Oracle or Nassau to be necessary to enable complete performance by Oracle if reasonable diligence is exercised after the cause of delay or failure has been removed.

If such event continues for more than 90 days, either party may cancel unperformed Services upon written notice. This section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or Nassau's obligation to pay for Software delivered or Services provided.

XVI. AUDIT OF SOFTWARE USAGE

Upon 45 days written notice, Oracle may audit Nassau's use of the Software. Oracle agrees not to audit Nassau's use more frequently than once annually. Nassau agrees to cooperate with Oracle's audit and provide reasonable assistance and access to information during its normal business hours. Nassau shall be entitled to designate a representative who shall be entitled to participate in such audit. Nassau agrees that Oracle shall not be responsible for any of Nassau's reasonable costs incurred in cooperating with the audit.

Oracle shall provide Nassau with a report of any such audit, and Nassau shall have the right to provide a written response to the report to Oracle. All such audit reports and responses to such audit reports shall be considered confidential and subject to the non-disclosure obligations in this Agreement. In the event such audit discloses that Nassau exceeds the scope of the permissible use of the licenses for the Software, Nassau agrees to immediately cease its impermissible use of such Software. To continue its use of such licenses, Nassau agrees to pay within thirty (30) days of the receipt of written notification and provision of an invoice.

Notwithstanding the foregoing, if Nassau in good faith provides Oracle with written notice of an alleged error in the amount of underpaid fees reported in the audit and agrees to pay any amounts not in dispute, Nassau may invoke the Dispute Resolution Process provided in Article XIII of this Agreement. If Nassau pays the undisputed

amounts and provides the aforementioned notice of error, Nassau is not obligated to cease its alleged impermissible use of the Software during the Dispute Resolution process. During the Dispute Resolution process, Oracle agrees not to terminate the Software or any associated Technical Support services, nor commence formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief, until an amicable resolution of the dispute through continued negotiation of the matter at issue does not appear likely.

XVII. POLICIES AND SECURITY

In performing this Agreement, Oracle warrants, covenants and represents that it will comply fully with Nassau's rules, procedures and protocols ("Procedures"), including but not limited to physical, facility, documentary, information security and cyber security, provided that such Procedures do not violate any state, local or federal law. Nassau shall make available the relevant Procedures and Oracle shall be responsible for distributing to its representatives and assessing and ensuring compliance. If any part of the Procedures should violate Oracle's Code of Ethics and Business Conduct or Oracle is otherwise unable to comply, Oracle shall notify Nassau in writing. Nassau shall be responsible for acquiring the necessary approvals for the waiver from the entity that issued the Procedure. Oracle and Nassau agree that the Procedures do not modify or amend the other terms and conditions of the Agreement.

XVIII. MISCELLANEOUS

- A. Cooperation Between Contractors.** Oracle shall be responsible for fully cooperating with any third party, including but not limited to other contractors or subcontractors of Nassau, as necessary to ensure delivery of Software or coordination of performance of Services.
- B. Independent Contractors.** It is understood and agreed that the legal status of Oracle, its agents, officers and employees under this Agreement is that of an independent contractor, and in no manner shall they be deemed employees of Nassau, and therefore are not entitled to any of the benefits associated with such employment. Oracle agrees, during the term of this Agreement, to maintain at Oracle's expense those benefits to which its employees would otherwise be entitled by law, including health benefits, and all necessary insurance for its employees, including worker's compensation, disability and unemployment insurance, and to provide Nassau with certification of such insurance upon request. Oracle remains responsible for all applicable federal, state and local taxes, and all FICA contributions.
- C. No Hard Stop / Passive License Monitoring.** Unless Nassau is otherwise specifically advised to the contrary in writing at the time of order and prior to purchase, Oracle hereby warrants and represents that either: (1) the Software and all Updates do not and will not contain any computer code that would disable the Software or Updates or impair in any way its operation based on the elapsing of a period of time, exceeding an authorized number of copies, advancement to a particular date or other numeral, or other similar self-destruct mechanisms (sometimes referred to as "time bombs," "time locks," or "drop dead" devices) or that would permit Oracle to access the Software to cause such disablement or impairment (sometimes referred to as a "trap door" device); or (2) if the Software or

Updates does contain any such computer code, such computer code shall not be enabled. Oracle agrees that in the event of a breach or alleged breach of this provision, Nassau may seek a temporary restraining order, injunction, or other form of equitable relief against the continuance of such breach, in addition to any and all remedies to which Nassau shall be entitled.

- D. Proof of License.** The fully signed Ordering Document, Nassau's corresponding Purchase Order and payment of Oracle's invoice shall serve as Nassau's proof of License.
- E. Severability.** If any provision of this Agreement is deemed invalid or unenforceable, such determination shall have no effect on the balance of the Agreement, which shall be enforced and interpreted as if such provision was never included in the Agreement.
- F. Entire Agreement and Modification of Agreement Terms.** This Agreement and the referenced appendices constitute the entire agreement between the parties thereto and no statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid, and the Agreement shall not be changed, modified or altered in any manner except by an instrument in writing executed by both parties hereto. No preprinted terms or conditions on a Purchase Order issued by Nassau, which seek to vary the terms of this Agreement or impose new duties or obligations on Oracle, shall have any force or effect.
- G. Assignments and Mergers, Acquisitions, Divestitures.** Upon notice to Oracle, the Agreement may be assigned without the consent of Oracle to another Nassau subdivision pursuant to a governmental reorganization or assignment of functions under which the functions are transferred to a successor entity that assumes Nassau's responsibilities for the Agreement. If Nassau grants a security interest in the Programs and/or any Services deliverables, the secured party has no right to use or transfer the Programs and/or any Services deliverables, and if Nassau decides to finance an acquisition of the programs and/or any services, it will follow Oracle's policies regarding financing which are at <http://oracle.com/contracts>. Except in the event of a merger, consolidation, acquisition, internal restructuring, or sale of all or substantially all of the assets of Oracle, Oracle may not assign this Agreement without Nassau's prior written consent. Oracle's obligation to perform under this Agreement shall not be affected or impaired by any reorganization, consolidation or merger to which Oracle is, or may become, a party.
- H. Press Releases / Publicity.** Oracle shall obtain the prior written approval of Nassau relative to the Agreement for press or other media releases.
- I. UCITA.** The Uniform Computer Information Transactions Act does not apply to this Agreement or orders placed under it.
- J. Legal Compliance.** Oracle represents it will pay at its sole expenses for all applicable permits, licenses, tariffs, tolls and fees and that it shall secure all notices and comply with all laws, ordinances, rules and regulations of any governmental

entity applicable to the performance of obligations under the Agreement or seek waiver therefrom. Prior to award and during the Agreement term and any renewals thereof, Oracle must establish to the satisfaction of Nassau that it meets or exceeds all requirements of the Agreement and any applicable laws, including but not limited to, permits, insurance coverage, licensing, and proof of coverage for workers' compensation, and shall provide such proof as required by Nassau. Failure to comply or failure to provide proof may constitute grounds for Nassau to cancel or suspend the Agreement, in whole or in part or to take any other action deemed necessary by Nassau.

- K. Captions.** The captions contained in this Agreement are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.
- L. Governing Law.** This procurement, the resulting contract and any purchase orders issued hereunder shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise, and actions or proceedings arising from the contract shall be heard in a court of competent jurisdiction in the State of New York.
- M. Order of Precedence.** The documents comprising this Agreement shall have the following order of precedence: (1) Appendix A; (2) Ordering Document(s); (3) this Agreement; and (4) all other exhibits.

XIX. NASSAU SPECIFIC LAWS, ORDINANCES, REQUIREMENTS

A. Insurance.

1. **Types and Amounts.** Oracle shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) aggregate coverage, (ii) compensation insurance for the benefit of Oracle's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iii) such additional insurance, including, without limitation, builder's all risk, if applicable, automobile liability insurance and umbrella liability insurance, as Nassau may from time to time specify.
2. **Acceptability; Deductibles; Subcontractors.** All insurance obtained and maintained by Oracle pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed or authorized to do business in New York State and acceptable to Nassau; and (ii) in form and substance acceptable to Nassau. Oracle shall be solely responsible for the payment of all deductibles to which such policies are subject. Oracle shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by Oracle under this Agreement.
3. **Delivery; Coverage Change; No Inconsistent Action.** Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the

Insurance coverage required by this Agreement shall be delivered to the Nassau County Attorney's Office. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, Oracle shall provide written notice to the Nassau County Attorney's Office of the same and deliver to Nassau County Attorney's Office renewal or replacement certificates of insurance. Oracle shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take any action, or omit to take any action, which would suspend or invalidate any of the required coverages. The failure of Oracle to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of Oracle to maintain the other required coverages shall be deemed a material breach of this Agreement upon which Nassau reserves the right to consider this Agreement terminated as of the date of such failure.

- B. No Arrears or Default.** Oracle is not in arrears to Nassau upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to Nassau, including any obligation to pay taxes to, or perform services for or on behalf of, Nassau.
- C. Nassau County Living Wage Law.** Pursuant to LL 12006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, with respect to Services provided to Nassau which are performed within the United States, Oracle agrees as follows:
1. Oracle shall comply with the applicable requirements of the Living Wage Law, as amended;
 2. Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Oracle has the right to cure such breach within thirty days of receipt of notice of breach from Nassau. In the event that such breach is not timely cured, Nassau may terminate this Agreement as well as exercise any other rights available to Nassau under applicable law.
 3. It shall be a continuing obligation of Oracle to inform Nassau of any material changes in the content of its certification of compliance, attached as Exhibit 6, and shall provide to Nassau any information necessary to maintain the certification's accuracy.
- C. Administrative Service Charge.** Oracle agrees to pay Nassau an administrative service charge of five hundred and thirty-three dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 741979, as amended by Ordinance Number 1282006.
- D. Executory Clause.** Notwithstanding any other provision of this Agreement:
1. Approval and Execution. Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle unless:
 - (i) all Nassau approvals have been obtained, including, if required, approval by the Nassau County Legislature, and

- (ii) this Agreement has been executed by the Nassau.
2. **Availability of Funds:** Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the State and/or federal governments, then beyond funds available to Nassau from the State and/or federal governments. Notwithstanding the foregoing, (a) Nassau agrees to pay for all Software ordered and Services performed by Oracle prior to Oracle's receipt of Nassau's notice of the unavailability of funding or appropriations and (b) Nassau's issuance of a Purchase Order to Oracle is its representation to Oracle that funds for that purchase have been fully appropriated and are presently available.

XX. NOTICES

If Nassau has a dispute with Oracle or if Nassau wishes to provide a notice under the Indemnification section of this Agreement, or if Nassau becomes subject to insolvency or other similar legal proceedings, it will promptly send written notice to: Oracle USA, Inc., 500 Oracle Parkway, Redwood City, California, USA, Attention: General Counsel, Legal Department.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

ORACLE USA, INC.

NASSAU COUNTY, NEW YORK

Signature: [Handwritten Signature]

Signature: [Handwritten Signature]

Name: DOUGLAS W. DORAN

Name: THOMAS W. STOTES

Title: DIRECTOR, LICENSE CONTRACTS

Title: DEPUTY CO. EXEC.

Date: 5/1/2009

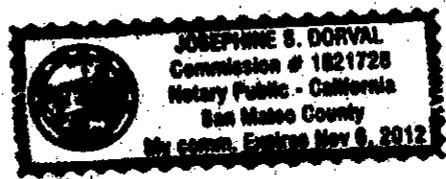
Date: 5-29-09

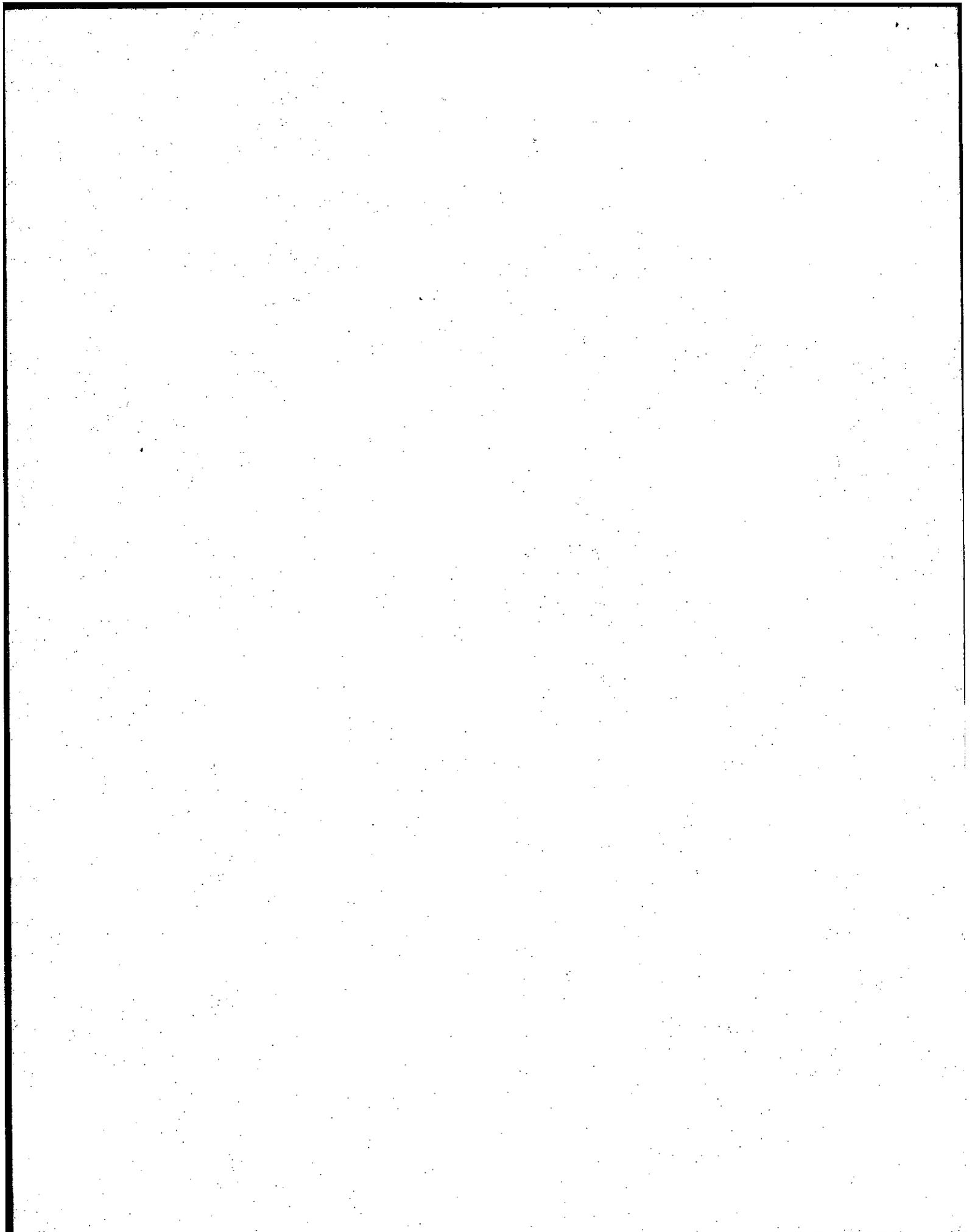
Corporate Acknowledgement

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On this 1st day of May, 2009 before me personally came Douglas W. Doran, to me known, who, being duly sworn, did depose and say that he/she is Director of the corporation described in the foregoing instrument and that he/she executed the foregoing instrument as Director thereof.

[Handwritten Signature]
Notary Public







ORDERING DOCUMENT

Oracle USA, Inc.
 500 Oracle Parkway
 Redwood Shores, CA 94065

Your Name NASSAU COUNTY, NEW YORK
 Your Location 240 Old Country Road
 Mineola, NY 11501

Your Contact Keith Hill
 Phone Number 516-571-4150
 Email Address khill@nassaucountyny.gov

ORACLE CONTRACT INFORMATION

Agreement: Software License and Services Agreement

Agreement Name: _____ ("agreement")

This ordering document incorporates by reference the terms of the agreement specified above. The following defined and capitalized terms in the referenced agreement between you and Oracle USA, Inc. (as successor in interest to Oracle Corporation, hereinafter "Oracle") shall have the same meaning as the stated terms in this ordering document: "Agreement" and "agreement"; "Customer"/"Client" and "you"/"your"; "Program" and "program"; "Technical Support" and "technical support"; "Program Documentation"/"Documentation" and "program documentation"; and "Ordering Document"/"Order Form" and "ordering document".

A. Description and Fees for Ordered Programs and Services

Listed below is a summary of net fees due under the ordering document. These fees are in US Dollars and are exclusive of any applicable shipping charges or applicable taxes. You have ordered the program licenses and 12 months of technical support services described below:

A. 1 - Product Description / License Type	Quantity
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Expense - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
A. 2 - Product Description / License Type	Quantity
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual	9700

PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	9700

A.3 - Product Description / License Type	Quantity
User Productivity Kit - UPK Developer Perpetual	5
User Productivity Kit - UPK Employee Perpetual	9700
PeopleSoft Enterprise UPK Human Resources over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payroll for North America over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Benefits Administration over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Time & Labor over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePay over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eBenefits over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePerformance over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Learning Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK General Ledger over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Receivables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Asset Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Project Costing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Contracts over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Grants over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Expenses - over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Planning and Budgeting over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Billing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Purchasing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Inventory over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProcurement over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eCompensation Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Absence Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Talent Acquisition Manager over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Strategic Sourcing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Portal over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for Financials/ESA and Supply Chain over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for Financials and Supply Chain Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for PeopleTools over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1

A.4 - Product Description / License Type	Quantity
Diagnosics Pack - Processor Perpetual	16
Application Management Pack for PeopleSoft - Named User Plus Perpetual	60
Application Management Pack for PeopleSoft - Processor Perpetual	16
Oracle Business Intelligence Management Pack - Named User Plus Perpetual	143
Oracle Business Intelligence Suite Enterprise Edition Plus - Named User Plus Perpetual	143
Business Intelligence Server Administrator - Named User Plus Perpetual	10

A.5 - Product Description / License Type	Quantity
Crystal Reports for PeopleSoft Enterprise for Unlimited Users (Mfr is Business Objects SA Third Party Program)	1
Crystal Enterprise/BusinessObjects Enterprise PeopleSoft Enterprise Concurrent Access License (bundles of 5) (Mfr is Business Objects SA Third Party Program)	1
Webphere for PeopleSoft Enterprise (Mfr is International Business Machines Corporation; Third Party Program)	1

	Net Fee
Oracle Programs License Fees	\$1,829,356.32
Oracle Programs Support Fees	\$358,456.35
Net Fee	\$1,987,814.67
Total Fees	\$1,987,814.67

B. General Terms

1. Commencement Date

All program licenses and the period of performance for all services are effective upon shipment of tangible media or upon the effective date of this ordering document if shipment of tangible media is not required.

2. Fees, Invoicing, and Payment Obligation

a. All fees due under this ordering document shall be non-cancelable and the sums paid nonrefundable, except as provided in the agreement.

b. In entering into payment obligations under this ordering document, you agree and acknowledge that you have not relied on the future availability of any program or updates. However, (a) if you order technical support for programs licensed under this ordering document, the preceding sentence does not relieve Oracle of its obligation to provide such technical support under this ordering document, if and when available, in accordance with Oracle's then current technical support policies, and (b) the preceding sentence does not change the rights granted to you for any program licensed under this ordering document, per the terms of this ordering document and the agreement.

c. In accordance with the agreement: (i) license fees are invoiced as of the commencement date; and (ii) service fees are invoiced after the performance of the service; specifically, technical support fees are invoiced quarterly in arrears from the commencement date.

d. In addition to the fees listed in section A, Oracle will invoice you for any applicable shipping charges or applicable taxes.

3. Delivery and Installation

a. You shall be responsible for installation of the software.

b. Oracle has made available to you for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com> the programs listed in section A. Through the Internet URL, you can access and electronically download to your location the software and related documentation for each program listed in section A. Provided that you have continuously maintained technical support for the programs listed in section A, you may continue to download the software and related program documentation for the programs listed in section A. Please be advised that not all programs are available on all hardware/operating system combinations. For current program availability please check the electronic delivery web site. You acknowledge that Oracle's delivery obligation under this ordering document is met by the provision of the electronic delivery web site URL.

4. Source Code

Oracle may deliver source code as part of its standard delivery for particular programs; all source code delivered by Oracle is subject to the terms of the agreement, ordering document and program documentation.

5. Segmentation

The program licenses provided in this ordering document are offered separately from any other proposal for consulting services you may receive or have received from Oracle and do not require you to purchase Oracle consulting services.

6. Order of Precedence

In the event of any inconsistencies between the agreement and this ordering document, this ordering document shall take precedence.

7. Customer Reference

In consideration of the discounts granted to you under this ordering document, Oracle may refer to you as a customer in sales presentations, marketing vehicles and activities. In addition you agree to become part of Oracle's reference program by working with a representative from Oracle Marketing to develop a customer profile for use on Oracle.com and for other promotional activities at Oracle's discretion. The profile will include a quote from an executive of your organization and your organization's logo.

8. Territory

The program licenses and services described in section A are for use in the U.S.

9. Limited Use Programs

The programs listed in section A-4 are limited use programs and maybe used only with the programs listed in section A.1, section A.2 and section A.3.

10. Technical Support Cap

Software Update License & Support (or any successor technical support offering to Software Update License & Support, "SULS") acquired with your order may be renewed annually and, if you renew SULS for the same number of licenses for the same programs, for the first, second, third and fourth renewal years, the fee for SULS will not increase over the prior year's fee. If you renew SULS for the same number of licenses for the same programs for the fifth, sixth, seventh, eighth or ninth renewal year, the fee for SULS will not increase by more than three percent (3%) over the prior year's fees.

C. Future Purchases

1. Expansion

a. If you exceed your licensed quantity you must order the programs (and first year Software Update License & Support for the programs) at the appropriate license and support fees specified on the attached Expansion Exhibit. The number of additional program licenses to be ordered shall be equal to the actual dollar amount of Enterprise \$M of Operating Budget listed in section A.1 and/or the actual number of Enterprise Employees listed in section A.2 as of the order date less the total number of licensed quantity (under this ordering document or other ordering documents) rounded up to the next increment on the attached Expansion Exhibit.

b. The license definitions and program specific terms contained in section D of this ordering document will apply to program licenses ordered pursuant to this section.

c. Oracle has no delivery obligation for program licenses ordered pursuant to this section.

D. Enterprise Application Specific Terms

1. Enterprise \$M Operating Budget

\$M Operating Budget is defined as one million US Dollars of your gross budget reflected in an audited statement from your external accounting firm.

2. Applicable to programs with the license type of Enterprise \$M Operating Budget

The value of these program licenses is determined by the amount of Enterprise \$M Operating Budget. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the amount of Enterprise \$M Operating Budget as of the effective date of your order. If at any time the amount of Enterprise \$M Operating Budget exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the amount of Enterprise \$M Operating Budget is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the amount of Enterprise \$M Operating Budget. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise \$M Operating Budget as of such date.

3. Enterprise Employee

Enterprise Employee is defined as all of your full-time, part-time, temporary employees and all of your agents, contractors and consultants. The quantity of the licenses required is determined by the number of Enterprise Employees and not the actual number of users. In addition, if you elect to outsource any business function(s) to another company, all of the company's full-time, part-time, temporary employees and agents, contractors and consultants that are providing the outsourcing services for you must be counted for the purposes of determining the number of Enterprise Employees.

4. Applicable to programs with the license type of Enterprise Employee

The value of these program licenses is determined by the number of Enterprise Employees. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the number of Enterprise Employees as of the effective date of your order. If at any time the number of Enterprise Employees exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the number of Enterprise Employees is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the number of Enterprise Employees. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise Employees as of such date.

5. Archival Back-Up and Disaster Recovery

The last sentence of Article II, Section E.3 of the agreement shall not apply to the programs listed in sections A.1, A.2 and A.3 of this ordering document.

F. Program Specific Terms for the Peoplesoft Product Lines

1. License Grant

Oracle grants to you a non-exclusive, nontransferable license for your UPK Developer(s) to: (i) use those User Productivity Kit ("UPK") products listed in Section A (collectively referred to as "materials") only as necessary to create and provide training solely for UPK to use the underlying programs for your benefit; (ii) make an unlimited number of copies of the materials only as necessary to create and provide training solely to UPK to use the underlying programs for your benefit; and (iii) develop modifications and customizations to the UPK programs licensed per UPK Module, if applicable, all subject to the terms and conditions set forth in the agreement, provided all copyright notices are reproduced as provided on the original. You are prohibited from reselling or distributing the materials to any other party or using the materials other than as explicitly permitted in this ordering document or in the agreement. Oracle represents that the materials and any content created by you using the program materials contain valuable proprietary information. Oracle (or its third-party program providers) retains title to all portions of the materials and any copies thereof. You shall use materials modifications created by you solely for your internal use in accordance with the terms of the agreement. You may provide access to and use of the materials only to those third parties that are licensed as UPK Users and that: (a) provide services to you concerning your use of the materials; (b) have a need to use and access the materials; and (c) have agreed to substantially similar non-disclosure obligations imposed by you as those contained in the agreement. **NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, PROGRAMS LICENSED PER UPK MODULE ARE PROVIDED "AS IS" AND ARE PROVIDED WITHOUT WARRANTY OF ANY KIND.**

1. UPK Materials

For UPK content materials licensed under this ordering document, you represent and warrant that you have a valid license for the underlying program(s). All content materials are published in English language only.

2. UPK Module

UPK Module is defined as the functional software component described in the product documentation.

3. Included Programs - Crystal Reports for PeopleSoft Enterprise

This program is a third party program and it is also a supportable program. "Unlimited users" for purposes of this program means all users who are authorized by you to use such program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

4. Included Programs - Crystal Enterprise/BusinessObjects Enterprise for PeopleSoft Enterprise

You acknowledge that this program requires a web application server. This third party program is a supportable program. A "concurrent access license" is a license for one person to access all features and functions of this program. A concurrent access license user is accessing the program from the time the concurrent access license user logs onto the program until the concurrent access license user exits or closes the program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

5. Included Programs - WebSphere

Notwithstanding anything in the agreement to the contrary, Oracle shall not be obligated to indemnify you for any claims based on: (i) any third party products identified in the "README" AND "LICENSE.TXT" files included with WebSphere; (ii) open source code delivered with the WebSphere product; (iii) any trade secret embodied within WebSphere; and (iv) the combination, operation or use of WebSphere with any non-International Business Machine Corporation product, data, or apparatus. In addition to the terms set forth in the agreement and this ordering document, use of this program shall be subject to the terms and conditions set forth in the "README" and "LICENSE.TXT" files included with the WebSphere program, as those terms may change from time to time. Notwithstanding anything herein to the contrary: (a) source code is not included for this program and (b) this third party program is a supportable program.

By signing below, the parties agree that the agreement and this ordering document constitute the entire agreement between the parties with regard to the subject matter herein and as such, no other preprinted, non-negotiated or other terms and conditions, on the customer's purchase order or elsewhere, shall apply. The offer is valid through 30-NOV-2008 and shall become binding upon execution by you and acceptance by Oracle.

NASSAU COUNTY, NEW YORK

Signature _____
 Name _____
 Title _____
 Signature Date _____
 Effective Date _____

(to be completed by Oracle)

ORACLE USA, INC.

Signature _____
 Name _____
 Title _____
 Signature Date _____

Expansion Exhibit

1. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.1 with the license type "Enterprise \$M in Operating Budget Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment (In millions)
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual	94,264.19	20,738.12	320
PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual			
PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual			
Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual			
Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual			
Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual			
Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual			

2. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.2 with the license type "Enterprise Employee Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	24,372.91	5,362.04	970

APPENDIX A

**STANDARD CLAUSES FOR NEW YORK STATE
CONTRACTS**

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of the State and any attempts to assign the contract without the State's written consent are null and void. The Contractor may, however, assign its right to receive payment without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER'S APPROVAL. In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).

4. WORKERS' COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the

performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor

within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) **PRIVACY NOTIFICATION.** (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law.

(2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment,

employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165. (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St -- 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl St -- 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), the State shall not purchase any apparel from any vendor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) vendor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with the State), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

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EXHIBIT 1

ORACLE TECHNICAL SUPPORT POLICIES

Technical Support Policies

Effective Date: 27-October-2008

Unless otherwise stated, these Technical Support Policies apply to technical support for all Oracle product lines. These Technical Support Policies may be referred to in former PeopleSoft agreements as the "Software Support Services Terms and Conditions"; in former Siebel agreements as the "Maintenance Services Policy", in former Hyperion agreements as the "Standard Maintenance Program", in former Agile agreements as the "product support policy" and in former BEA agreements as the "Support Services" policies.

"You" and "your" refers to the individual or entity that has ordered technical support from Oracle or an authorized distributor.

To receive technical support as provided by Oracle Support Services ("OSS") and described in the Oracle Technical Support Levels section below, all programs must be properly licensed.

Technical support is provided for issues (including problems created by you) that are demonstrable in the currently supported release(s) of an Oracle licensed program, running unaltered, and on an appropriate hardware, database and operating system configuration, as specified in your order or program documentation.

Product release and supported platforms information for all Oracle programs, other than Cimmetry AutoVue and Vuelink programs ("Cimmetry programs"), Crystal Ball programs, and AdminServer programs, is available through Oracle's web-based customer support systems as described in the Web-Based Customer Support Systems section below. Product release and supported platforms information for Cimmetry programs is available in the AutoVue Administration Guide that is included with the Cimmetry program documentation.

Product release and supported platforms information for the following programs will be provided to you in writing:

Crystal Ball
AdminServer
Skywire (programs not included on the Skywire Online Support Portal)

Oracle will provide technical support in accordance with Oracle's privacy policy available at <http://www.oracle.com/html/privacy.html>.

These Technical Support Policies are subject to change at Oracle's discretion, however the services provided will not be materially reduced during the support period (defined below).

To view changes that have been made, please refer to the attached [Statement of Changes](#) (PDF).

Technical Support Fees

Technical support fees are due and payable annually in advance of a support period, unless otherwise stated in the relevant ordering document or financing or payment contract with Oracle or an Oracle affiliate. Your commitment to pay is required to process your technical support order with Oracle (e.g., purchase order, actual payment, or other approved method of payment). An invoice will be issued only upon receipt of your commitment to pay, and will be sent to a single billing address as designated by you. Failure to submit payment will result in the termination of support.

Support Period

Technical support is effective upon the effective date of your ordering document unless stated otherwise in your ordering document. If your order was placed through the Oracle Store, the effective date is the date your order was accepted by Oracle. Unless otherwise stated in the ordering document, Oracle technical support terms, including pricing, reflect a 12 month support period (the "support period"). All technical support services ordered for a support period and the related fees are non-cancelable and non-refundable. Oracle is not obligated to provide technical support beyond the end of the support period unless your technical support contract is renewed on or before the service expiration date.

License Set

A license set consists of (i) all of your licenses of a program, including any options* (e.g., Database Enterprise Edition and Enterprise Edition Options; Purchasing and Purchasing Options), Enterprise Manager* (e.g., Database Enterprise Edition and Diagnostics Pack), or self-service module* (e.g., Human Resources and Self-Service Human Resources) licensed for such programs, or (ii) all of your licenses of a program that share the same source code**. Development and demonstration licenses available through the Oracle Partner Network or the Oracle Technology Network are not included in the definition of a license set. For Crystal Ball programs, a license set is defined as the same licenses of a program contained on a single order.

*As specified on Oracle's price list.

**Programs that share the same source code are:

- Database Enterprise Edition, Database Standard Edition, Database Standard Edition One, and Personal Edition, and
- Internet Application Server Enterprise Edition, Internet Application Server Standard Edition, Internet Application Server Standard Edition One, and Internet Application Server Java Edition.

Matching Service Levels

When acquiring technical support, all licenses in any given license set must be supported under the same technical support service level (e.g., Software Update License & Support or unsupported). You may not support a subset of licenses within a license set; the license set must be reduced by terminating any unsupported licenses. You will be required to document license terminations via a termination letter.

Reinstatement of Oracle Technical Support

In the event that technical support lapses or was not originally purchased, upon the commencement of technical support a reinstatement fee will be assessed. The reinstatement fee is equal to 150% of the last-paid support fee, or 150% of the last-published list technical support price for the licensed program less the applicable standard discount as published on the Oracle Store ("standard discount") in effect at the time of reinstatement if support was not originally purchased for the relevant programs, prorated from the date technical support is being ordered back to the date technical support lapsed (or the license order date if technical support was never purchased). Applicable renewal adjustments are applied. Once the reinstatement fee has been assessed, technical support for the year following the reinstatement period may be purchased for an additional technical support fee as calculated based on how long the licensed program has been unsupported ("go-forward support fee"). If the lapsed support period is less than 6 months, the go-forward support fee is calculated based on the last-published list technical support price less the applicable standard discount in effect at the time of reinstatement. If the lapsed support period is 6 months or greater, the go-forward support fee is calculated based on the last-paid support fee. If support is not reinstated for the entire license set or if support for a subset of licenses from an ordering document is reinstated, then the "License Set", "Matching Service

Levels", and "Pricing following Reduction of Licenses or Support Level" policies will apply. Applicable renewal adjustments are applied to the reinstatement fee and go-forward support fee.

Pricing following Reduction of Licenses or Support Level

Pricing for support is based upon the level of support and the volume of licenses for which support is ordered. In the event that a subset of licenses on a single order is terminated or if the level of support is reduced, support for the remaining licenses on that license order will be priced at Oracle's list price for support in effect at the time of termination or reduction minus the applicable standard discount. Such support price will not exceed the previous support fees paid for both the remaining licenses and the licenses being terminated or unsupported, and will not be reduced below the previous support fees paid for the licenses continuing to be supported. If the license order from which licenses are being terminated established a price hold for additional licenses, support for all of the licenses ordered pursuant to the price hold will be priced at Oracle's list price for support in effect at the time of reduction minus the applicable standard discount.

Custom Application Bundles

Technical support may not be discontinued for a single program module within a custom application bundle.

Unsupported Programs

Customers with unsupported programs do not receive updates, maintenance releases, patches, telephone assistance, or any other technical support services for the unsupported programs. CD packs or programs purchased or downloaded for trial use, use with other supported programs, or purchased or downloaded as replacement media may not be used to update any unsupported programs.

Technical Contacts

Your technical contacts are the sole liaisons between you and OSS for technical support of programs. It is the recommended standard that your technical contacts are trained representatives of your company. Such training shall include initial basic product training and, as needed, supplemental training appropriate for specific role or implementation phase, specialized product usage, and/or migration. Your technical contacts should be knowledgeable about the Oracle programs and your Oracle environment in order to help resolve system issues and to assist Oracle in analyzing and resolving service requests. When submitting a service request, your technical contact should have a baseline understanding of the problem you are encountering and an ability to reproduce the problem in order to assist Oracle in diagnosing and triaging the problem. To avoid interruptions in support services, you must notify OSS whenever technical contact responsibilities are transferred to another individual.

With the order of Software Update License & Support, you may designate one (1) primary and four (4) backup individuals ("technical contact") per license set, to serve as liaisons with OSS. With each USD\$250,000 in net support fees per license set, you have the option to designate an additional two (2) primary and four (4) backup technical contacts. Your primary technical contact shall be responsible for (i) overseeing your service request activity, and (ii) developing and deploying troubleshooting processes within your organization. The backup technical contacts shall be responsible for resolving user issues. You may be charged a fee to designate additional technical contacts.

Oracle may review service requests logged by your technical contacts, and may recommend specific training to help avoid service requests that would be prevented by such training.

Program Updates

"Update" means a subsequent release of the program which Oracle generally makes available for program licenses to its supported customers at no additional license fee, other than shipping

charges if applicable, provided you have ordered a technical support offering that includes software updates for such licenses for the relevant time period. Updates do not include any release, option or future program that Oracle licenses separately. Updates are provided when available, and Oracle is under no obligation to develop any future programs or functionality. Any updates made available will be delivered to you, or made available to you for download. If delivered, you will receive one update copy for each supported operating system for which your program licenses were ordered. You shall be responsible for copying, downloading and installing the updates.

Oracle Configuration Manager

Oracle provides Oracle Configuration Manager (OCM) with some of its programs. The OCM is a tool that assists in the collection and transmission of your configuration data to Oracle to enable us to respond more efficiently to your service requests. The OCM tool will connect to Oracle over the internet. You may not receive a separate notice upon connection. You may turn the OCM tool off, however we strongly discourage this as it impedes our ability to provide services to you. More information on the tool is available at <http://www.oracle.com/technology/documentation/ocm.html>. By using this tool, you consent to the transmission of your configuration information to Oracle.

OCM will not access, collect or store any personally identifiable information (except for technical support contact information) or business data files residing in your software environment. Configuration data provided to Oracle by software tools will be stored in password-protected repositories. It will be used to assist in resolving service requests and to provide recommendations regarding configuration of your environment and deployment of programs. In addition, because the configuration information will be updated, it may be used by Oracle to assist you in managing your Oracle product portfolio, for license and services compliance and to help Oracle improve upon product and service offerings for you.

Payment Plan, Financing and Leasing Agreements

Technical support fees due under payment plans, financing or leasing agreements between you and Oracle or an Oracle affiliate ("payment plan") are due and payable in accordance with the terms and conditions of such payment plan, but the technical support shall be ordered pursuant to the terms of the applicable ordering document.

Lifetime Support

Lifetime Support consists of the following service levels:

- "Premier Support" which refers to the first 5 years of basic technical support services (also referred to as, and will be documented on your ordering document as, "Software Update License & Support")
- Extended Support (if offered)
- Sustaining Support

A description of the services available under Premier Support, Extended Support and Sustaining Support is included in the Oracle Technical Support Levels section below.

When offered, Premier Support will be available for five years from the date a release of the Oracle program becomes generally available, except as noted below.

Based on availability, support may be extended for an additional three years with Extended Support for specific releases.

Alternatively, support may be extended with Sustaining Support which will be available for as long as you maintain technical support for your Oracle licenses.

**SOFTWARE LICENSE AND SERVICES AGREEMENT 2008
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

May _____, 2009

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**SOFTWARE LICENSE AND SERVICES AGREEMENT
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

THIS SOFTWARE LICENSE AND SERVICES AGREEMENT (hereinafter "Agreement") is entered into between Nassau County, New York (hereinafter, "Nassau") whose address is 160 Old County Road, Mineola, New York, 11501, and Oracle USA, Inc. (hereinafter "Oracle"), a Colorado corporation whose main office and principal place of business is 500 Oracle Parkway, Redwood Shores, California 94065 and is effective as of the date set forth with the final signature below (the effective date). Orders may be placed under this Agreement for up to three (3) years after its effective date or as otherwise extended by amendment.

WITNESSETH:

WHEREAS, Nassau has determined that its current and future administrative systems needs require that its current aging and diverse systems be replaced; and

WHEREAS, Nassau has determined that the upgrade and replacement of its administrative systems requires the acquisition of a new commercial off-the-shelf integrated information system using Enterprise Resource Planning (hereinafter "ERP") software, and the retention of related services for such software; and

WHEREAS, Nassau issued a Request for Proposal seeking such software and services and thereafter supplemented this with a Request for Clarification, (collectively, the "RFP"); and

WHEREAS, Oracle submitted a proposal, Clarifications, and Best and Final Offers in response to the RFP (hereinafter "Proposal"); and

WHEREAS, based upon the competitive solicitation and evaluation of proposals for the provision of the ERP Software and for the performance of the Services (as hereinafter defined), Nassau has determined that Oracle possesses the qualifications necessary to provide such Software and Services; and that the Proposal offers the best value to Nassau from among the competing proposals received by Nassau, and that Nassau awards this Agreement to Oracle on the basis of the merits of the Proposal; and

WHEREAS, Nassau desires to retain Oracle to provide the Software and Services as set forth hereinafter, and Oracle agrees to provide such Software and perform such Services;

NOW, THEREFORE, in consideration of the terms and the mutual covenants and obligations of the parties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

I. DEFINITIONS

Advanced Customer Services: On-site services, set forth in Exhibit 3, that Nassau may purchase from Oracle under this Agreement.

Agreement: The writing(s) which contain the agreement of Nassau and Oracle setting forth the total legal obligation between the parties as determined by applicable rules of law.

Ancillary Programs: Third party materials specified in the Documentation, which may only be used for the purposes of installing or operating the programs with which the Ancillary Programs are delivered.

Documentation or Program Documentation: Program user manual(s) and Program Installation manual(s) for the Software.

Emergency: An urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk.

Enterprise License: A license grant that permits a defined entity (the "Enterprise") to use the acquired the Software across its Enterprise, where the numerical limits of the license is calculated by reference to its employee count or its operating budget or other agreed upon metric. The specific terms of the Enterprise License are set forth in the Ordering Document.

Error Corrections: Machine executable software code furnished by Oracle which corrects the Software so as to conform to the applicable Documentation of Oracle.

Incremental Licenses: An increase in the number of licenses for Software previously acquired by Nassau. Such Incremental License purchases are accepted upon delivery.

License Effective Date: The date Software is delivered to Nassau. Where a License involves Software which was previously licensed by Nassau, the License Effective Date for the additional licenses shall be deemed to be the date on which the Purchase Order is executed.

Material: Any information, design, specification, instruction, Software, data, or material furnished by Oracle and used by Nassau.

Ordering Document: The Oracle form, signed by both parties, that sets forth the Software and/or Services to be purchased, Software metrics, prices, discounts, and specific terms relevant to the purchase.

New Software Releases (Software Revisions): Any commercially released revisions to the licensed version of the Software as may be generally offered and available to Nassau, if current on technical support. New releases involve a substantial revision of functionality from a previously released version of the Software. Updates are provided when available, and Oracle is under no obligation to develop any future Software or functionality.

Proprietary: Created and / or owned by Oracle, which may be protected by confidentiality, secrecy, patent, copyright or trademark against commercial competition.

Purchase Order: Nassau's fiscal form or format that is used when making a purchase (e.g., formal written Purchase Order, electronic Purchase Order, or other authorized instrument).

Services: Technical support (also referred to as "Maintenance"), training, or Advanced Customer Services that Nassau purchases under this Agreement.

Site: The location (street address) where the Software will be used or Services delivered.

Software or Programs: Software acquired under the terms and conditions set forth in the Agreement. "Software" or "Programs" includes error corrections, upgrades, enhancements, new releases, and updates delivered to Oracle's current subscribers under Technical Support or Maintenance.

Source Code: The programming statements or instructions written and expressed in any language understandable by a human being skilled in the art which are translated by a language compiler to produce executable machine Object Code.

Supported Program License: Programs for which Oracle offers Technical Support.

Technical Support or Maintenance: Technical support services for the Software that are offered by Oracle under this Agreement.

Training: The services provided by Oracle University, as set forth in Exhibit 4.

II. SOFTWARE

Oracle shall provide the Programs in accordance with the following terms and conditions.

- A. License Scope:** Following delivery of the Software, Nassau is granted a non-exclusive, non-assignable, royalty free, perpetual, limited right to use the Software ordered for its governmental and business operations subject to the terms of this Agreement, including the license definitions and rules and Documentation. For Software that is specifically designed to allow a third party to interact with Nassau in furtherance of Nassau's governmental or business operations, such use is allowed under this Agreement. Nassau may make a sufficient number of copies of the Software for its licensed use and one copy of each software media.
- B. Documentation:** Documentation is delivered with the Software or Nassau may access the Documentation online at <http://oracle.com/contracts>. Oracle hereby grants to Nassau a perpetual license right to make, reproduce and distribute, either electronically or otherwise, copies of Documentation in accordance with the terms of

the license, and the Documentation fully describes the proper procedure for using the Software.

C. Permitted License Transfers: Upon prior written notice to Oracle, the following license transfers are permitted under this Agreement, at no cost to Nassau, unless the license type specifically prohibits such a transfer:

1. Nassau may transfer Software internally within its own entity;
2. If Nassau is subject to a governmental reorganization or otherwise mandated by its governing body to convey any of its specific functions to another governmental entity, the Software used to support the conveyed functions may be transferred to the entity acquiring the transferred functions. The transferor must discontinue its use of the transferred Software.
3. If Nassau merges with another governmental entity, the Software acquired may be used by the merged entity.

Nothing in this section shall be deemed to relieve Nassau or the transferee entity of the obligation to use the Software in accordance with the terms and conditions of this Agreement and all applicable Ordering Documents placed hereunder, including, without limitation, limiting usage of the Software to the quantity and license type for which such software is licensed.

D. Restricted Use By Outsourcers / Facilities Management, Service Bureaus / or Other Third Parties: Outsourcers, facilities management, consultants and agents (collectively, "Agents") retained by Nassau shall have the limited right to use the Software to maintain Nassau's internal business operations subject to the terms of this Agreement, including data processing, for the time period that they are engaged in such activities, provided that Nassau is responsible for the compliance of its Agents with the terms and conditions of this Agreement and their use of the Software.

E. Archival Back-Up and Disaster Recovery Nassau shall be entitled to use and copy the Software and related Documentation for archival backup and disaster recovery and shall have the rights under "Cold", "Warm" or "Hot" Backup, as defined below, to initiate disaster recovery on such backup systems testing up to four times annually, up to two day per testing, at no charge other as set forth below:

1. "Cold Backup" is a backup copy of the Software, which is retained on Oracle's software media only. In the event of failure of a primary machine, Nassau may download the Software from Oracle's website or it may use the software media to load Oracle's Software on a second machine of Nassau of the same hardware/operating system combination. There is no additional fee for maintaining a Cold Backup.
2. "Warm Backup" is a backup copy of the Software, which is loaded on a machine, which is accessed for the processing of data and/or applications only in the event of a failure of the primary machine. In the event of a failure of the primary machine, the secondary machine is accessed and used to run the Software. There is no additional fee for maintaining a Warm Backup.

3. "Hot Backup" is a copy of the Software, which is loaded on a machine and operated simultaneously with the primary machine. No processing of data or applications takes place on the backup machine. In the event of a failure of the primary machine, all processing is switched to the backup machine in real time. The fee for a Hot Backup is 25% of the contract price of the primary license and/or technical support.

F. Confidentiality Restrictions: The Software is a trade secret, copyrighted and proprietary product of Oracle. Nassau and its employees will keep the Software strictly confidential, and Nassau will not disclose or otherwise distribute or reproduce any Software to anyone other than as authorized under the terms of Agreement. Nassau will not remove or destroy any proprietary markings or notice of Oracle's or its licensors' proprietary rights. Oracle or its licensors retain all ownership and intellectual property rights to the Software.

G. Restricted Use by Nassau: Except as expressly authorized by the terms of this Agreement, Nassau shall not:

1. Copy the Software;
2. Cause or permit reverse engineering (unless required by law for interoperability), disassembly or decompilation of the Software (the foregoing prohibition includes but is not limited to review of data structures or similar materials produced by the Software);
3. Make the Software or Materials resulting from Services available in any manner to any third party for use in the third party's business operations (unless such access is expressly permitted for the specific software license or Materials from the services acquired);
4. Export the Software in violation of any U.S. Department of Commerce export administration regulations;
5. Release benchmarking results: unless required by law or compelled by court order or subpoena, Nassau shall not disclose to third parties not authorized by it to implement or maintain its systems, results of any Software benchmark test without Oracle's prior written consent. The foregoing restriction shall not apply to benchmark results of non-Oracle software which accessed the Software or to benchmark results of an overall system, provided such results: (a) are released only as the benchmark results of such non-Oracle software or of the total system and (b) do not make any reference to Oracle Software. Nassau shall notify Oracle of requests for the release of benchmarking results under the New York State Freedom of Information Law (FOIL) or applications for court orders or subpoenas and give Oracle an opportunity to oppose disclosure.

H. Open Source Software: Open source software is developed independently of Oracle and may be governed by a separate license ("open source software"). If the open source software is governed by a separate license, Oracle shall provide a copy of that license in the applicable Documentation and Nassau's license rights and obligations with respect to that open source software shall be defined by those separate license terms and subject to the conditions, if any, therein. Nothing in this Agreement shall restrict, limit, or otherwise affect any rights or obligations Nassau

may have, or conditions to which Nassau may be subject, under such separate open source license terms.

III. SOFTWARE DELIVERY

Oracle has made available to Nassau for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com>. Through the Internet URL, Nassau can access and electronically download the Software and related Documentation. Provided that Nassau has continuously maintained technical support for the Software, Nassau may continue to download the software and related Documentation. Please be advised that not all programs are available on all hardware / operating system combinations. For current program availability please check the electronic delivery web site. Nassau acknowledges that Oracle's delivery obligation under this Agreement is met by the provision of the electronic delivery web site URL. Provided Nassau continuously maintains Technical Support, CD Packs for the Software provided under the Ordering Document may be ordered through the Oracle Store independent of this Agreement. If Nassau loses or damages the media containing a Program licensed here under, upon Nassau's written notice Oracle will provide a replacement copy thereof, for a media and shipping charge. The following shipping terms shall apply: FCA Shipping Point, Prepaid, and Add. These terms shall also apply to any options exercised by Nassau. Unless otherwise agreed to by Nassau and Oracle, Nassau shall be responsible for installation of the Software.

Nassau acknowledges that, unless otherwise provided for in this Agreement, it accepts sole responsibility for (i) its system configuration, design and requirements, (ii) the selection of the Programs to achieve its intended results, and (iii) modifications, changes or alterations to the Programs.

IV. SOFTWARE ACCEPTANCE

A. Unless otherwise provided by mutual agreement of Nassau and Oracle, Nassau shall have sixty (60) days from the date of delivery to accept all Software. Where Oracle is responsible for installation, acceptance shall be from completion of installation. Failure to provide notice of acceptance or rejection to Oracle by the end of the period provided for under this clause constitutes acceptance by Nassau as of the expiration of that period. Nassau may, in writing, waive the Acceptance Period, or any part thereof, at any time.

If Nassau rejects the Software, it shall (a) cease using the applicable Software, and (b) certify to Oracle that it has destroyed or has returned to Oracle the Software, Documentation and all copies. This requirement applies to copies in all forms, partial and complete, in all types of media and computer memory, and whether or not modified or merged into other materials.

Oracle may offer Nassau a free trial of the Software pursuant to (B) immediately below. If Nassau accepts such free trial license for the Software, the length of the trial shall count toward the sixty (60) day acceptance period and such trial license will grant to Nassau the right to examine the Software for at least sixty (60) days (unless the parties thereto agree otherwise). Upon the expiration of such period,

Nassau must either issue a Purchase Order to Oracle for purchase of the Software or portions thereof in accordance with this Agreement, or forthwith discontinue all use and return the Software to Oracle. Nassau shall be deemed to have tested the Software to its satisfaction and accepted the Software upon its issuance of the Purchase Order.

If any agreed trial license period is less than sixty (60) days, then in addition to the trial license period, Nassau shall have the number of days to accept the Software that is the difference between sixty (60) days and the length of the agreed trial license, provided Nassau notifies Oracle in writing of its intention to use such acceptance period at the time Nassau issues its Purchase Order. Notwithstanding the foregoing, this provision does not apply to purchases which merely increase the number of licenses for software previously acquired by Nassau ("incremental licenses"). Such incremental license purchases are accepted upon delivery.

- B. Trial Software.** Nassau may order trial Software, or Oracle may include additional trial Software with the order which Nassau may use for trial, non-production purposes only. Nassau may not use the trial Software to provide or attend third party training on the content and/or functionality of the Software. Nassau has sixty (60) days from delivery to evaluate such trial Software. If it decides to use any of this trial Software after the sixty (60) day trial period, Nassau must obtain a license for such trial Software from Oracle. If it decides not to obtain a license for the trial Software after the sixty (60) day trial period, Nassau will cease using and will delete any such trial Software from its computer systems. Software licensed for trial purposes is provided "as is" and Oracle does not provide technical support or offer any warranties for these programs.

V. SERVICES

- A. Nassau may acquire Technical Support (maintenance), Advanced Customer Services, and Training, under this Agreement. The rates for the purchase of Advanced Customer Services and Training are set forth in Exhibits 3 and 4, respectively. The terms for the purchase of Technical Support are set forth in the Article immediately below and in the Technical Support policies attached as Exhibit 1.**
- B. Upon payment for Services, Nassau will have a perpetual, non-exclusive, non-assignable, royalty free license to use for its internal business operations, anything developed by Oracle and delivered to Nassau. Nassau may allow its agents and contractors to use the deliverables for such purpose and Nassau is responsible for their compliance with this Agreement and the Ordering Document. Oracle retains ownership and all intellectual property rights to anything developed by it and delivered by it under the applicable Ordering Document resulting from the Services, except as stated in (C) immediately below.**
- C. Advanced Customer Services ("ACS").** The only consulting services offered by Oracle under this Agreement are Advanced Customer Services ("ACS"). Oracle states that no development or customization work can be provided pursuant to the performance of the ACS.

To the extent that Oracle may produce incidental deliverables in the performance of ACS and following payment of all fees for the applicable ACS order: (a) the allocation of ownership and license rights to such incidental deliverables shall be the Joint Property (as defined below) of both Oracle and Nassau; and (b) Oracle grants to Nassau a non-exclusive, non-assignable, royalty free, perpetual, internal-use license to use Oracle Works (as defined below) that are embodied in the Joint Property.

1. "Incidental Deliverables" shall mean those deliverables developed by Oracle solely for Nassau in the performance of the applicable Ordering Document, except for any Oracle Works (as defined below).
2. "Oracle Works" shall mean: (a) anything provided by or on behalf of Oracle from a repository; (b) any software code generated by computer aided software engineering (CASE) tools; (c) any tools, interfaces, and utilities developed by or on behalf of Oracle; and (d) any derivative works of (a), (b), or (c) above. Nothing in this section shall be construed to grant, amend, or modify any license for any Software or Documentation owned or distributed by Oracle.
3. "Joint Property" shall mean the Incidental Deliverables which are those deliverables developed using ACS and shall be owned jointly by Oracle and Nassau; Joint Property does not include any Oracle Works (as defined above). Oracle and Nassau agree that each party jointly shall own the copyright interest in the Joint Property and that each party may freely use, share, license or sub-license the Joint Property without requiring the approval of the other party, and shall have no duty of accounting to the other party for use of the Joint Property.

Oracle retains all right, title and interest, including all copyrights, in any Oracle Works and Software. Any property or material furnished by Nassau to Oracle hereunder is and will remain the property of Nassau.

- D. At Nassau's request, Oracle shall provide Nassau with the resumes of all Oracle's employees, consultants, and subcontractors who shall perform Services at Nassau's site under this Agreement. Nassau shall have the right to conduct interviews, unless otherwise agreed to by the parties, of all such employees, consultants, or subcontractors provided such interview occurs before the commencement of Services by the relevant employees, consultants or subcontractors. Nassau shall have the right to reject assignment of any Oracle employee, consultant, or subcontractor to a particular Service by providing Oracle a reasonable and non-discriminatory basis for such rejection. This paragraph shall not apply to the provision of Technical Support Services.
- E. The Services provided under this Agreement may be related to Nassau's license to use Programs which it acquires under a separate order. The Agreement referenced in that order shall govern Nassau's use of such Programs. Any Services acquired from Oracle are bid separately from such Program licenses, and Nassau may acquire either Services or such Program licenses without acquiring the other.

VI. TECHNICAL SUPPORT & MAINTENANCE

- A. Technical Support consists of annual technical support services ordered by Nassau for the Software. Payment shall be due quarterly in arrears or as otherwise agreed to by the parties. If ordered, annual Technical Support (including first year and all subsequent years) is provided under Oracle's Technical Support Policies that are attached to this Agreement at the time the Services are ordered. The Technical Support Policies shall be updated annually by amendment to this Agreement. Nassau should review the Technical Support Policies prior to ordering the applicable services.**

Technical support is effective upon the effective date of the Ordering Document unless otherwise stated therein. The effective date of an order is when the Ordering Document is fully signed and Oracle receives the Purchase Order; provided however, if the order is subject to an acceptance period, the effective date will be upon acceptance.

The Technical Support service level, which may also be referred to as Software Update License & Support, (or any successor technical support offering to Software Update License & Support, "SULS") acquired with Nassau's order may be renewed annually and, if Nassau renews SULS for the same number of licenses for the same Software, Nassau will be entitled to receive the caps on fee increases which are set forth in Exhibit 1.

If Nassau decides to purchase Technical Support for any Software within a license set, Nassau is required to purchase Technical Support at the same level for all Software within that license set. Nassau may desupport a subset of Software in a license set only if there is also agreement to terminate that subset of licenses. The Technical Support fees for the remaining licenses will be priced in accordance with the Technical Support Policies in effect at the time of termination. The applicable discount to be used in the event of support re-pricing is set forth in Exhibit 2. Oracle's license set definition is available in the Technical Support Policies. If Nassau decides not to purchase Technical Support, Nassau may not update any unsupported Software with new versions of the Software.

Technical Support term(s) and any renewal(s) thereof are independent of the expiration of this Agreement and will not automatically renew. Nassau may discontinue Technical Support at the end of any current Technical Support term. In the event that Nassau discontinues Technical Support of Software, it may, at any time thereafter, reinstate Technical Support for the Software without any additional penalties or other charges, by paying Oracle the amount which would have been due under the order for the period of time that such Technical Support had lapsed.

- B. Oracle's Technical Support offering, entitled "Lifetime Support", is comprised of the following:**
- 1. Premier Support:** Premier Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; major product and technology releases, access to Oracle's Customer Service Website, and certification with new third-party products/versions.

2. **Extended Support:** Oracle may grant Nassau the right to acquire an additional three years of Extended Support. Extended Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; access to its Customer Service Website; and major product and technology releases. Extended Support does not include certification with new third-party products/versions.
3. **Sustaining Support:** As an alternative to Extended Support, Oracle grants Nassau the right to acquire Sustaining Support for as long as it licenses the Software. Sustaining Support provides access to Oracle's Customer Service Support Website, pre-existing fixes, and major product and technology releases. Sustaining Support does not include Updates, fixes, and security alerts; Tax, legal, and regulatory updates; Certification with new third-party products/versions; and Certification with other Oracle products.

Additional information about Oracle's Lifetime Support offering may be found in the Technical Support Policies, attached as Exhibit 1.

C. Successor Products and Re-Named Programs.

1. **Successor Products.** If Oracle makes successor products available for Oracle's product lines ("New Software") that includes substantially similar functionality and features as a Program for which Nassau has purchased a Program License ("Old Software"), Oracle will provide Nassau with a migration path from the Old Software to the New Software and the right to use the New Software under this Agreement at no additional charge, provided that (i) Nassau is current on Technical Support for the Old Software; (ii) this right shall only apply to New Software that is available in production release status on the operating system identified by Nassau at the time of the request; and (iii) Oracle is currently making available, such migration path from the Old Software to the New Software to all of its other supported customers without additional charge.

If Oracle does not provide to all of its supported customers a migration path from the Old Software to the New Software free of additional charge, then Oracle will provide Nassau with the right to use only the functionality and features contained in the New Software that is substantially similar to the functionality and features contained in the Old Software. Nassau shall not have the right to use nor shall it use any additional functionality or features in such New Software. All use of New Software shall otherwise be subject to this Agreement.

2. **Re-Named Programs.** If any Program licensed under this Agreement ("Original Program") is re-named or divided into two or more separate Programs ("Re-Named Program") and the functionality of the Re-Named Program is and remains the same as the functionality of the Original Program, and Oracle makes such Re-Named Program generally available at no additional license fees to all of its customers who have maintained Technical Support for the Original Program, then Oracle shall provide the Re-Named Program to Nassau for no additional license fees, provided that the Re-Named Program is available in production release and that Nassau is current on Technical Support for the Original Program pursuant to Oracle's Technical

Support Policies (or reinstated Technical Support for such Program pursuant to Oracle's then current Technical Support Policies).

In the event that Oracle offers successor or renamed programs, as referenced above, Oracle will notify Nassau of the affected Software to the same extent and in the same manner that it provides notification to its other supported customers of the affected Software. The parties acknowledge that Oracle offers Lifetime Support for many of its Programs; if Lifetime Support is offered for a Program, such Program is not deemed to be discontinued under the meaning of this section.

VII. SOURCE CODE

Oracle shall retain in escrow a copy of the source code necessary to support the Software (not including any Software for which source code is delivered with such Software). The escrowed material shall be maintained under an agreement which provides that if Oracle ceases to be in the business of supporting the Software, the escrow agent shall furnish Nassau with a copy of the escrowed material that has become unsupported. Nassau shall pay the escrow agent a nominal fee sufficient to cover the cost of reproduction and distribution of source materials, including reasonable administrative expenses thereto. Any escrowed material furnished under this provision shall be considered licensed subject to the terms of this Agreement and shall be used solely to maintain the Software. If Oracle replaces Iron Mountain Intellectual Property Management with a substitute escrow agent, Nassau will receive notice of the name and address of the substitute agent.

VIII. COMPENSATION / PAYMENTS / INVOICES

- A. Upon acceptance of Software or as otherwise provided by Agreement, Oracle may invoice for payment. The required payment date shall be thirty (30) calendar days, excluding legal holidays, from the receipt and approval by the County Comptroller of a proper invoice and County Claim Voucher, in accordance with paragraph B.
- B. All payment Invoices shall include, at a minimum, the following terms:
 - 1. Delivery on official form of Oracle;
 - 2. Name, Address and Remittance Address of Oracle if different from that contained in the introductory paragraph of this Agreement;
 - 3. Agreement Number;
 - 4. An executed County Claim Voucher detailing of the Programs or Services for which Oracle requests payment;
 - 5. Total amount to be invoiced.
- C. Oracle shall submit all payment Invoices to the designated payment office for this Agreement, which shall be, unless Oracle receives written notification to the contrary, the address listed in the first paragraph of this Agreement.
- D. The fees due under an Ordering Document signed by Nassau and Oracle shall be non-cancelable and the sums paid nonrefundable, except as expressly provided therein or in this Agreement.
- E. Nassau's signature on an Ordering Document referencing this Agreement and Nassau's issuance of a purchase order are its representations to Oracle

that the purchase has been fully authorized and that all funds for the purchase have been fully appropriated.

- F. Nassau agrees that it has not relied on the future availability of any Programs or Updates in entering into the payment obligations arising under this Agreement; however, (a) if Nassau orders SULS for programs, the preceding sentence does not relieve Oracle of its obligation to provide Updates under this Agreement or the relevant Ordering Document, if-and-when available, in accordance with Oracle's then current Technical Support Policies, and (b) the preceding sentence does not change the rights granted to Nassau for any program licensed under this Agreement or the relevant Ordering Document, per the terms of this Agreement and/or the Ordering Document.
- G. Submission of an invoice and payment thereof shall not preclude Nassau from reimbursement or demanding a price adjustment where the billing was inaccurate. Oracle shall provide, upon request of Nassau, the information reasonably necessary to verify the accuracy of the billings. Such information shall be provided in the format reasonably requested by Nassau and in a media commercially available from Oracle.
- H. If Nassau is exempt from sales tax, Oracle will not invoice it for applicable sales tax provided a copy of a valid sales tax certificate of exemption is provided to Oracle on or before the effective date of this Agreement. Also, Nassau will reimburse Oracle for reasonable expenses related to providing the Services. Fees for Services listed in an Ordering Document are exclusive of taxes and expenses.

IX. WARRANTY

- A. **Title and Ownership Warranty.** Oracle warrants that it possesses (i) full ownership, clear title free of all liens, or (ii) the right to transfer or deliver perpetual or term license rights to the Software. Oracle shall be solely liable for its costs of acquisition of such ownership rights and/or clear title. Notwithstanding any language to the contrary in this Agreement, Article X(A), *Intellectual Property Infringement Indemnification*, of this Agreement states Nassau's exclusive remedy and Oracle's entire liability for any breach of this particular warranty.
- B. **Software Warranty.** Software offered shall be a current production release. Oracle warrants that the Software will perform in all material respects as described in the Documentation for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Program warranty deficiency within eighteen (18) months after acceptance.

For Nassau's initial purchase of Software under this Agreement only, Oracle also warrants that the Software will perform in all material respects in accordance with Oracle's response to the functional and technical requirements attached as Exhibit 5 for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Software warranty deficiency under this paragraph within eighteen (18) months year after acceptance of the initial purchase of the Software.

- C. **Virus Warranty.** Oracle represents and warrants that prior to delivery Oracle shall use commercially reasonable methods to test and protect the Software against viruses and other harmful elements designed to disrupt the orderly operation of, or impair the integrity of data files resident on, any data processing system. Oracle represents and warrants that it will not deliver Software that contains any known virus. Oracle will also maintain a master copy of the appropriate versions of the Software, free of viruses. If Nassau believes a virus may be present in the delivered Software, then upon its request, Oracle will provide a master copy to Nassau for comparison with and correction of its copy of the Software.
- D. **Date/Time Warranty.** Oracle represents that during the term of this Agreement, including any extension or renewal hereof, the Software shall, when used in accordance with the Program Documentation, be able to accurately process (including, but not limited to, calculating, comparing, and sequencing) date/time data transitions, including leap year and daylight savings time calculations.
- E. **Services Warranty.** Oracle warrants that the Services will be provided in a professional manner in accordance with industry standards. Nassau must notify Oracle of any Services warranty deficiencies within ninety (90) days from performance of the Service that gave rise to the warranty claim.
- F. **Survival of Warranties.** All warranties contained in this Agreement, which have not expired by their terms, shall survive the termination of this Agreement.
- G. **NO IMPLIED WARRANTIES.**
TO THE EXTENT PERMITTED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- H. Oracle does not warrant or guarantee that the Software will be error free or operate without interruption or that Oracle will correct all Software errors. Oracle is not obliged to develop error corrections or updates for Nassau's benefit but, in the event such corrections or updates are made generally commercially available by Oracle at no additional charge, Oracle shall provide them to Nassau at no additional charge. Nassau acknowledges that the Software has not been prepared to meet its individual requirements; it is Nassau's responsibility to ensure that the facilities and functions described in its specification meet its requirements, and Nassau is solely responsible for results obtained from its use of the Software.
- I. **EXCLUSIVE REMEDIES.** FOR ANY BREACH OF THE WARRANTIES IN B, D AND E ABOVE, NASSAU'S EXCLUSIVE WARRANTY REMEDY, AND ORACLE'S ENTIRE WARRANTY LIABILITY, SHALL BE: (A) THE CORRECTION OF SOFTWARE ERRORS THAT CAUSE BREACH OF THE WARRANTY, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT SUCH BREACH IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END ITS SOFTWARE LICENSE AND RECOVER THE FEES PAID TO ORACLE FOR THE SOFTWARE LICENSE; OR (B) THE REPERFORMANCE OF THE DEFICIENT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH

IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END THE RELEVANT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT SERVICES.

X. INDEMNIFICATION AND LIABILITY

- A. Intellectual Property Infringement Indemnification.** Oracle will also indemnify and hold Nassau harmless from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs that may be finally assessed against Nassau in any action for infringement of a United States Letter Patent, or of any copyright, trademark, trade secret or other third party proprietary right based upon Materials provided to Nassau by Oracle and except to the extent such claims arise from Nassau's negligence or willful misconduct, provided that Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, no later than 30 days after it receives notice of the claim (or sooner if required by law) (ii) sole control to settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. Nassau reserves the right to join such action, at its sole expense, when it determines there is an issue involving a significant public interest.

If usage shall be enjoined for any reason or if Oracle believes that it may be enjoined, Oracle shall have the right, at its own expense and sole discretion: (i) to procure for Nassau the right to continue Usage (ii) to modify the material so that usage becomes non-infringing, while preserving its utility or functionality, or if these alternatives are not commercially reasonable, Oracle may terminate the license for, and require return of, the Material and refund any fees Nassau may have paid for it. Oracle will not indemnify Nassau if it alters the Material or uses it outside the scope of use identified in the Documentation or if Nassau uses a version of the Materials which has been superseded, to the extent the infringement claim could have been avoided by using an unaltered current version of the Material which was provided to Nassau and Nassau either has actual knowledge or is notified by Oracle to use such version due to a potential or existing infringement claim; any such notice will be in writing or, for any software licensed under this Agreement, may be posted at Oracle's customer support web site or included with a software update. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon any information, design, specification, instruction, software, data, or material not furnished by Oracle. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon the combination of any Material with any products or services not provided by Oracle except where such combinations are expressly specified by Oracle in the Documentation. Oracle will not indemnify Nassau for infringement caused by its actions against any third party if the Program(s) as delivered to Nassau and used in accordance with the terms of this Agreement would not otherwise infringe any third party intellectual property rights.

In the event that an action at law or in equity is commenced against Nassau arising out of a claim that Nassau's use of the Material under the Agreement infringes any patent, copyright or proprietary right, and Oracle is of the opinion that the allegations in such action in whole or in part are not covered by the indemnification and defense

provisions set forth in the Agreement, Oracle shall promptly notify Nassau in writing and shall specify to what extent Oracle believes it is obligated to defend and indemnify under the terms and conditions of the Agreement. Oracle shall in such event attempt to secure a continuance to permit Nassau to appear and defend its interests in cooperation with Oracle, as is appropriate, including any jurisdictional defenses Nassau may have. This Article X(A) constitutes Nassau's sole and exclusive remedy for any infringement claims or damages.

B. Personal Injury / Property Damage Indemnification. Oracle shall be fully liable for any act or omission of Oracle, its employees, Subcontractors and agents, and shall fully indemnify and hold harmless Nassau from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or tangible personal property caused by fault or negligence of Oracle, its employees, Subcontractors or agents arising from Oracle's performance of this Agreement, **without limitation**; provided, however, that Oracle shall not be obligated to indemnify Nassau for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of Nassau or the acts of third parties, other than those provided by Oracle to perform under the Agreement. In connection with the foregoing, Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. This paragraph does not apply to any claims arising from damage to "intangible personal property," which includes documentation, software, data or data files that are in electronic format.

C. Limitation on Liability. EXCEPT AS OTHERWISE SET FORTH IN THE INDEMNIFICATION PARAGRAPHS ABOVE, THE LIMIT OF LIABILITY SHALL BE AS FOLLOWS:

- 1. ORACLE'S LIABILITY FOR ANY DAMAGES ARISING OUT OF, OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL IN NO CASE EXCEED DIRECT DAMAGES IN: (I) AN AMOUNT EQUAL TO TWO (2) TIMES THE CHARGES SPECIFIED IN THE PURCHASE ORDER FOR THE SOFTWARE AND SERVICES, OR PARTS THEREOF FORMING THE BASIS OF NASSAU'S CLAIM, (SAID AMOUNT NOT TO EXCEED A TOTAL OF TWELVE (12) MONTHS CHARGES PAYABLE UNDER THE APPLICABLE PURCHASE ORDER) OR (II) ONE MILLION DOLLARS (\$1,000,000), WHICHEVER IS GREATER. NOTWITHSTANDING THE LIMITATION IN THE FIRST SENTENCE OF THIS PARAGRAPH (1), ORACLE'S LIABILITY TO NASSAU FOR DAMAGES RESULTING FROM THE WRONGFUL DISCLOSURE OF PERSONAL DATA BY ORACLE IN ITS PERFORMANCE OF TECHNICAL SUPPORT SERVICES IN BREACH OF ORACLE'S OBLIGATIONS UNDER ARTICLE XI(D) (CONFIDENTIALITY AND NON-DISCLOSURE) SHALL NOT EXCEED THE GREATER OF: (A) \$1,000,000 OR (B) TWO TIMES THE FEES PAID BY NASSAU UNDER THIS AGREEMENT FOR TECHNICAL SUPPORT WITHIN THE TWO (2) YEARS IMMEDIATELY PRECEDING THE ACTION THAT GAVE RISE TO THE BREACH.**

2. NOTWITHSTANDING THE ABOVE, NEITHER ORACLE OR NASSAU SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE OR LOSS OF PROFIT BY NASSAU, ORACLE, OR BY OTHERS.

XI. CONFIDENTIALITY AND NON-DISCLOSURE

A. As used in this Section, "Disclosing Party" means Nassau when disclosing its Confidential Information (defined below) to Oracle, or Oracle when disclosing its Confidential Information to Nassau, and "Receiving Party" means Nassau when receiving disclosure of Confidential Information from Oracle, or Oracle when receiving disclosure of Confidential Information from Nassau. "Confidential Information" means all confidential information disclosed by a party (the "Disclosing Party") to the other party (the "Receiving Party") after the effective date of this Agreement including, without limitation, information relating to the Disclosing Party's operations, processes, plans or intentions, know-how, design rights, trade secrets or business affairs. Confidential Information shall be clearly marked as "confidential," "proprietary," "restricted" or some similar designation. Except as provided in this Agreement and specifically in Article XI(B) hereunder, the Receiving Party further agrees that any Confidential Information obtained by the Receiving Party from the Disclosing Party, its agents, subcontractors, officers, or employees in the course of performing its obligations, including without limitation, security procedures, business operations information, or commercial proprietary information in the possession of the Disclosing Party hereunder, will not be divulged to any third parties. Nassau acknowledges that the Source Code to the Software and the Documentation are Confidential Information of Oracle.

B. The Receiving Party:

- 1. may not use any Confidential Information for any purpose other than in accordance with, and in the performance of, its obligations under this Agreement;**
- 2. may not disclose any Confidential Information to any person except with the prior written consent of the Disclosing Party or in accordance with Section C; and**
- 3. shall make every reasonable effort to prevent the use or disclosure, other than as expressly permitted herein, of Confidential Information.**

C. The Receiving Party may disclose information, which would otherwise be Confidential Information if and to the extent that:

- 1. it is required by law (such as the New York State Freedom of Information Law);**
- 2. the information has come into the public domain, otherwise than through (a) a breach of this Clause by the Receiving Party, (b) a third party's breach of any duty of confidentiality owed to the Disclosing Party of which the Receiving Party was aware, or (c) a violation of law;**

3. it was in the Receiving Party's lawful possession prior to the disclosure and had not been obtained by the Receiving Party either directly or indirectly from the Disclosing Party;
4. it is required by existing contractual obligations of which the Disclosing Party is aware;
5. it is independently developed by the Receiving Party without reliance on the Confidential Information;
6. It is required by any securities exchange or regulatory or governmental body to which it is subject or by judicial process;
7. It is otherwise obtained under the Freedom of Information Law or other applicable New York State laws or regulations; or
8. the disclosure is to its professional advisers, auditors or banker; or to any of its directors, other officers, employees and subcontractors (a "Recipient") to the extent that disclosure is reasonably necessary for the purposes of this Agreement.

D. In addition to the foregoing, Nassau represents that it has certain obligations with regard to the use and protection of Personal Data. "Personal Data" means non-public, personally identifiable information of Nassau's employees or citizenry. Oracle will not store, maintain or process any Personal Data on Nassau's behalf connection with the provision of programs, related technical support and other services under the Agreement. Any access by Oracle to Personal Data will be incidental to the software and related services provided by Oracle to Nassau. Nassau agrees that it will endeavor not to unnecessarily provide any Personal Data to Oracle under the Agreement. To the extent that Oracle has any incidental access to Personal Data in providing its Software and services to Nassau, Oracle agrees that (1) it shall not disclose or use Personal Data except to the extent reasonably required to carry out its obligations under the Agreement; and (2) it shall maintain appropriate information security measures to protect such Personal Data from unauthorized disclosure or use. The obligations set forth in this paragraph shall survive termination of this Agreement.

XII. BREACH

- A. **Breach, Generally.** If either party breaches a material term of this Agreement and fails to correct the breach within 30 days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate this Agreement, subject to the Dispute Resolution process set forth in the Article immediately below.
- B. **Failure to Make Payment.** In the event Nassau fails to make payment to Oracle for Software or Services delivered and accepted, and invoiced as set forth herein, within thirty (30) days of such delivery and acceptance, Oracle may, upon 10 days advance written notice to Nassau's purchasing official, suspend additional shipments of Software or provision of Services to Nassau until such time as reasonable arrangements have been made and assurances given by such entity for current and future payments. If the breach is for the failure to pay for Software and the breach continues unabated, upon written notice of termination, Oracle may terminate

Nassau's license for the unpaid-for Software. Notwithstanding the foregoing, Oracle shall, at least 10 days prior to declaring a breach of contract by Nassau, by certified or registered mail, notify the purchasing official of Nassau of the specific facts, circumstances and grounds upon which a breach will be declared. It is understood, however, that if Oracle's basis for declaring a breach is insufficient, Oracle's declaration of breach and failure to service Nassau shall constitute a breach of its Agreement and Nassau may thereafter seek any remedy available at law or equity.

C. Remedies for Breach. It is understood and agreed that all rights and remedies afforded below shall be in addition to all remedies or actions otherwise authorized or permitted by law, except where expressly limited in this Agreement:

1. **Cover/Substitute Performance.** In the event of Oracle's material, uncured breach, Nassau may, with or without formally bidding: (i) purchase from other sources; or (ii) if Nassau is unsuccessful after making reasonable attempts, under the circumstances then existing, to timely obtain acceptable service or acquire replacement software of equal or comparable quality, Nassau may acquire acceptable replacement software of lesser or greater quality. Such purchases may, in the discretion of Nassau, be deducted from the Agreement quantity and payments due Oracle.
2. **Withhold Payment.** In any case where a reasonable question of material non-performance by Oracle arises, payment may be withheld in whole or in part at the discretion of Nassau.
3. **Bankruptcy.** In the event that Oracle files a petition under the U.S. Bankruptcy Code during the term of this Agreement, Nassau may, at its discretion, make application to exercise its right to set-off against monies due the Debtor or, under the Doctrine of Recoupment, credit Nassau the amounts owed by Oracle arising out of the same transactions.
4. **Reimbursement of Costs Incurred.** Oracle agrees to reimburse Nassau promptly for any and all additional costs incurred for acquiring acceptable services, and/or replacement software. Should the cost of cover be less than the price charged under this Agreement, Oracle shall have no claim to the difference.
5. **Deduction/Credit.** Sums due as a result of these remedies may be deducted or offset by Nassau from payments due, or to become due, Oracle on the same or another transaction. If no deduction or only a partial deduction is made in such fashion Oracle shall pay to Nassau the amount of such claim or portion of the claim still outstanding, on demand.

XIII. DISPUTE RESOLUTION

- A.** In the event there is a dispute or controversy under this Agreement, the parties agree to exercise their best efforts to resolve the dispute as soon as possible. The parties shall, without delay, continue to perform their respective obligations under this Agreement, which are not affected by the dispute.
- B.** In the event Nassau is dissatisfied with Oracle's Software or Services provided under this Agreement, Nassau shall notify Oracle in writing. In the event Oracle has any disputes with Nassau, Oracle shall so notify Nassau in writing. If either party notifies the other of such dispute or controversy, the other party shall then make

good faith efforts to solve the problem or settle the dispute amicably, including meeting with the party's representatives to attempt diligently to reach a satisfactory result.

- C. If negotiation between such persons fails to resolve any such dispute to the satisfaction of the parties within 14 business days or as otherwise agreed to by the parties, of such notice, then the matter shall be submitted to Nassau's senior county executive and Oracle's senior officer of the rank of Vice President or higher as its representative. Such representatives shall meet in person and shall attempt in good faith to resolve the dispute within the next 14 business days or as otherwise agreed to by the parties. This meeting must be held before either party may seek any other method of dispute resolution, including judicial or governmental resolutions. Notwithstanding the foregoing, this Article shall not be construed to prevent either party from seeking and obtaining temporary equitable remedies, including injunctive relief.
- D. Oracle shall extend the dispute resolution period for so long as Nassau continues to make reasonable efforts to cure the breach, except with respect to disputes about the breach of payment of fees or infringement of its or its licensors' intellectual property rights.
- E. This Article XIII does not apply to any breach by Nassau of Oracle's or its licensor's intellectual property rights.

XIV. TERMINATION

The following termination provisions are subject to the Dispute Resolution provision, to terms of the Technical Support Policies, and other provisions of this Agreement. Termination under this Article does not relieve Nassau of its obligation to pay for Programs or Services delivered by Oracle under this Agreement.

- A. **For Cause:** For a material breach that remains uncured for more than thirty (30) days or other specified period after written notice to Oracle, the Agreement or Purchase Order may be terminated by Nassau at Oracle's expense where Oracle becomes unable or incapable of performing, or meeting any requirements or qualifications set forth in the Agreement, or for non-performance, or upon a determination that Oracle is non-responsible. Such termination shall be upon written notice to Oracle. In such event, Nassau may complete the contractual requirements in any manner it may deem advisable and pursue available legal or equitable remedies for breach. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid fees and charges incurred through the date of the termination.
- B. **For Convenience:** By written notice, this Agreement may be terminated at any time by Nassau for convenience upon sixty (60) days written notice or other specified period without penalty or other early termination charges due. Such termination of the Agreement shall not affect any Purchase Order that has been issued under the Agreement prior to the date of such termination. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid

charges incurred through the date of the termination. Oracle shall use due diligence and provide any outstanding deliverables.

XV. FORCE MAJEURE

A force majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled. Force majeure includes, but is not limited to, acts of God, acts of war, acts of public enemies, strikes, fires, explosions, actions of the elements, floods, or other similar causes beyond the control of Nassau or Oracle in the performance of the Agreement which non-performance, by exercise of reasonable diligence, cannot be prevented. Oracle shall provide Nassau with written notice of any force majeure occurrence as soon as the delay is known.

Neither Nassau nor Oracle shall be liable to the other for any delay in or failure of performance under the Agreement due to a force majeure occurrence. Any such delay in or failure of performance shall not constitute default or give rise to any liability for damages. The existence of such causes of such delay or failure shall extend the period for performance to such extent as determined by Oracle or Nassau to be necessary to enable complete performance by Oracle if reasonable diligence is exercised after the cause of delay or failure has been removed.

If such event continues for more than 90 days, either party may cancel unperformed Services upon written notice. This section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or Nassau's obligation to pay for Software delivered or Services provided.

XVI. AUDIT OF SOFTWARE USAGE

Upon 45 days written notice, Oracle may audit Nassau's use of the Software. Oracle agrees not to audit Nassau's use more frequently than once annually. Nassau agrees to cooperate with Oracle's audit and provide reasonable assistance and access to information during its normal business hours. Nassau shall be entitled to designate a representative who shall be entitled to participate in such audit. Nassau agrees that Oracle shall not be responsible for any of Nassau's reasonable costs incurred in cooperating with the audit.

Oracle shall provide Nassau with a report of any such audit, and Nassau shall have the right to provide a written response to the report to Oracle. All such audit reports and responses to such audit reports shall be considered confidential and subject to the non-disclosure obligations in this Agreement. In the event such audit discloses that Nassau exceeds the scope of the permissible use of the licenses for the Software, Nassau agrees to immediately cease its impermissible use of such Software. To continue its use of such licenses, Nassau agrees to pay within thirty (30) days of the receipt of written notification and provision of an invoice.

Notwithstanding the foregoing, if Nassau in good faith provides Oracle with written notice of an alleged error in the amount of underpaid fees reported in the audit and agrees to pay any amounts not in dispute, Nassau may invoke the Dispute Resolution Process provided in Article XIII of this Agreement. If Nassau pays the undisputed

amounts and provides the aforementioned notice of error, Nassau is not obligated to cease its alleged impermissible use of the Software during the Dispute Resolution process. During the Dispute Resolution process, Oracle agrees not to terminate the Software or any associated Technical Support services, nor commence formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief, until an amicable resolution of the dispute through continued negotiation of the matter at issue does not appear likely.

XVII. POLICIES AND SECURITY

In performing this Agreement, Oracle warrants, covenants and represents that it will comply fully with Nassau's rules, procedures and protocols ("Procedures"), including but not limited to physical, facility, documentary, information security and cyber security, provided that such Procedures do not violate any state, local or federal law. Nassau shall make available the relevant Procedures and Oracle shall be responsible for distributing to its representatives and assessing and ensuring compliance. If any part of the Procedures should violate Oracle's Code of Ethics and Business Conduct or Oracle is otherwise unable to comply, Oracle shall notify Nassau in writing. Nassau shall be responsible for acquiring the necessary approvals for the waiver from the entity that issued the Procedure. Oracle and Nassau agree that the Procedures do not modify or amend the other terms and conditions of the Agreement.

XVIII. MISCELLANEOUS

- A. Cooperation Between Contractors.** Oracle shall be responsible for fully cooperating with any third party, including but not limited to other contractors or subcontractors of Nassau, as necessary to ensure delivery of Software or coordination of performance of Services.
- B. Independent Contractors.** It is understood and agreed that the legal status of Oracle, its agents, officers and employees under this Agreement is that of an independent contractor, and in no manner shall they be deemed employees of Nassau, and therefore are not entitled to any of the benefits associated with such employment. Oracle agrees, during the term of this Agreement, to maintain at Oracle's expense those benefits to which its employees would otherwise be entitled by law, including health benefits, and all necessary insurance for its employees, including worker's compensation, disability and unemployment insurance, and to provide Nassau with certification of such insurance upon request. Oracle remains responsible for all applicable federal, state and local taxes, and all FICA contributions.
- C. No Hard Stop / Passive License Monitoring.** Unless Nassau is otherwise specifically advised to the contrary in writing at the time of order and prior to purchase, Oracle hereby warrants and represents that either: (1) the Software and all Updates do not and will not contain any computer code that would disable the Software or Updates or impair in any way its operation based on the elapsing of a period of time, exceeding an authorized number of copies, advancement to a particular date or other numeral, or other similar self-destruct mechanisms (sometimes referred to as "time bombs," "time locks," or "drop dead" devices) or that would permit Oracle to access the Software to cause such disablement or impairment (sometimes referred to as a "trap door" device); or (2) if the Software or

Updates does contain any such computer code, such computer code shall not be enabled. Oracle agrees that in the event of a breach or alleged breach of this provision, Nassau may seek a temporary restraining order, injunction, or other form of equitable relief against the continuance of such breach, in addition to any and all remedies to which Nassau shall be entitled.

- D. Proof of License.** The fully signed Ordering Document, Nassau's corresponding Purchase Order and payment of Oracle's invoice shall serve as Nassau's proof of License.
- E. Severability.** If any provision of this Agreement is deemed invalid or unenforceable, such determination shall have no effect on the balance of the Agreement, which shall be enforced and interpreted as if such provision was never included in the Agreement.
- F. Entire Agreement and Modification of Agreement Terms.** This Agreement and the referenced appendices constitute the entire agreement between the parties thereto and no statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid, and the Agreement shall not be changed, modified or altered in any manner except by an instrument in writing executed by both parties hereto. No preprinted terms or conditions on a Purchase Order issued by Nassau, which seek to vary the terms of this Agreement or impose new duties or obligations on Oracle, shall have any force or effect.
- G. Assignments and Mergers, Acquisitions, Divestitures.** Upon notice to Oracle, the Agreement may be assigned without the consent of Oracle to another Nassau subdivision pursuant to a governmental reorganization or assignment of functions under which the functions are transferred to a successor entity that assumes Nassau's responsibilities for the Agreement. If Nassau grants a security interest in the Programs and/or any Services deliverables, the secured party has no right to use or transfer the Programs and/or any Services deliverables, and if Nassau decides to finance an acquisition of the programs and/or any services, it will follow Oracle's policies regarding financing which are at <http://oracle.com/contracts>. Except in the event of a merger, consolidation, acquisition, internal restructuring, or sale of all or substantially all of the assets of Oracle, Oracle may not assign this Agreement without Nassau's prior written consent. Oracle's obligation to perform under this Agreement shall not be affected or impaired by any reorganization, consolidation or merger to which Oracle is, or may become, a party.
- H. Press Releases / Publicity.** Oracle shall obtain the prior written approval of Nassau relative to the Agreement for press or other media releases.
- I. UCITA.** The Uniform Computer Information Transactions Act does not apply to this Agreement or orders placed under it.
- J. Legal Compliance.** Oracle represents it will pay at its sole expenses for all applicable permits, licenses, tariffs, tolls and fees and that it shall secure all notices and comply with all laws, ordinances, rules and regulations of any governmental

entity applicable to the performance of obligations under the Agreement or seek waiver therefrom. Prior to award and during the Agreement term and any renewals thereof, Oracle must establish to the satisfaction of Nassau that it meets or exceeds all requirements of the Agreement and any applicable laws, including but not limited to, permits, insurance coverage, licensing, and proof of coverage for workers' compensation, and shall provide such proof as required by Nassau. Failure to comply or failure to provide proof may constitute grounds for Nassau to cancel or suspend the Agreement, in whole or in part or to take any other action deemed necessary by Nassau.

- K. Captions.** The captions contained in this Agreement are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.
- L. Governing Law.** This procurement, the resulting contract and any purchase orders issued hereunder shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise, and actions or proceedings arising from the contract shall be heard in a court of competent jurisdiction in the State of New York.
- M. Order of Precedence.** The documents comprising this Agreement shall have the following order of precedence: (1) Appendix A; (2) Ordering Document(s); (3) this Agreement; and (4) all other exhibits.

XIX. NASSAU SPECIFIC LAWS, ORDINANCES, REQUIREMENTS

A. Insurance.

1. **Types and Amounts.** Oracle shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) aggregate coverage, (ii) compensation insurance for the benefit of Oracle's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iii) such additional insurance, including, without limitation, builder's all risk, if applicable, automobile liability insurance and umbrella liability insurance, as Nassau may from time to time specify.
2. **Acceptability; Deductibles; Subcontractors.** All insurance obtained and maintained by Oracle pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed or authorized to do business in New York State and acceptable to Nassau; and (ii) in form and substance acceptable to Nassau. Oracle shall be solely responsible for the payment of all deductibles to which such policies are subject. Oracle shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by Oracle under this Agreement.
3. **Delivery; Coverage Change; No Inconsistent Action.** Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the

insurance coverage required by this Agreement shall be delivered to the Nassau County Attorney's Office. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, Oracle shall provide written notice to the Nassau County Attorney's Office of the same and deliver to Nassau County Attorney's Office renewal or replacement certificates of insurance. Oracle shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take any action, or omit to take any action, which would suspend or invalidate any of the required coverages. The failure of Oracle to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of Oracle to maintain the other required coverages shall be deemed a material breach of this Agreement upon which Nassau reserves the right to consider this Agreement terminated as of the date of such failure.

- B. No Arrears or Default.** Oracle is not in arrears to Nassau upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to Nassau, including any obligation to pay taxes to, or perform services for or on behalf of, Nassau.
- C. Nassau County Living Wage Law.** Pursuant to LL 12006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, with respect to Services provided to Nassau which are performed within the United States, Oracle agrees as follows:
1. Oracle shall comply with the applicable requirements of the Living Wage Law, as amended;
 2. Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Oracle has the right to cure such breach within thirty days of receipt of notice of breach from Nassau. In the event that such breach is not timely cured, Nassau may terminate this Agreement as well as exercise any other rights available to Nassau under applicable law.
 3. It shall be a continuing obligation of Oracle to inform Nassau of any material changes in the content of its certification of compliance, attached as Exhibit 6, and shall provide to Nassau any information necessary to maintain the certification's accuracy.
- C. Administrative Service Charge.** Oracle agrees to pay Nassau an administrative service charge of five hundred and thirty-three dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 741979, as amended by Ordinance Number 1282006.
- D. Executory Clause.** Notwithstanding any other provision of this Agreement:
1. **Approval and Execution.** Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle unless:
 - (i) all Nassau approvals have been obtained, including, if required, approval by the Nassau County Legislature, and

- (ii) this Agreement has been executed by the Nassau.
2. **Availability of Funds:** Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the State and/or federal governments, then beyond funds available to Nassau from the State and/or federal governments. Notwithstanding the foregoing, (a) Nassau agrees to pay for all Software ordered and Services performed by Oracle prior to Oracle's receipt of Nassau's notice of the unavailability of funding or appropriations and (b) Nassau's issuance of a Purchase Order to Oracle is its representation to Oracle that funds for that purchase have been fully appropriated and are presently available.

XX. NOTICES

If Nassau has a dispute with Oracle or if Nassau wishes to provide a notice under the Indemnification section of this Agreement, or if Nassau becomes subject to insolvency or other similar legal proceedings, it will promptly send written notice to: Oracle USA, Inc., 500 Oracle Parkway, Redwood City, California, USA, Attention: General Counsel, Legal Department.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

ORACLE USA, INC.

NASSAU COUNTY, NEW YORK

Signature: [Handwritten Signature]

Signature: [Handwritten Signature]

Name: DOUGLAS W. DORAN

Name: THOMAS W. STATES

Title: DIRECTOR, LICENSE CONTRACTS

Title: DEPUTY CO. EXEC.

Date: 5/1/2009

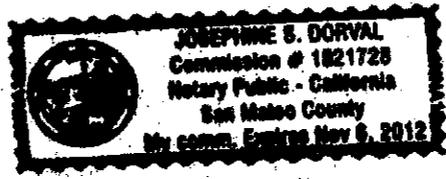
Date: 5-29-09

Corporate Acknowledgement

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On this 1st day of May, 2009 before me personally came Douglas W. Doran, to me known, who, being duly sworn, did depose and say that he/she is Director of the corporation described in the foregoing instrument and that he/she executed the foregoing instrument as Director thereof.

[Handwritten Signature]
Notary Public



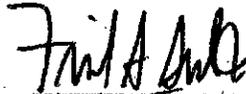
STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the 29th day of MAY in the year 2009 before me personally came THOMAS W STOKES to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Suffolk; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC



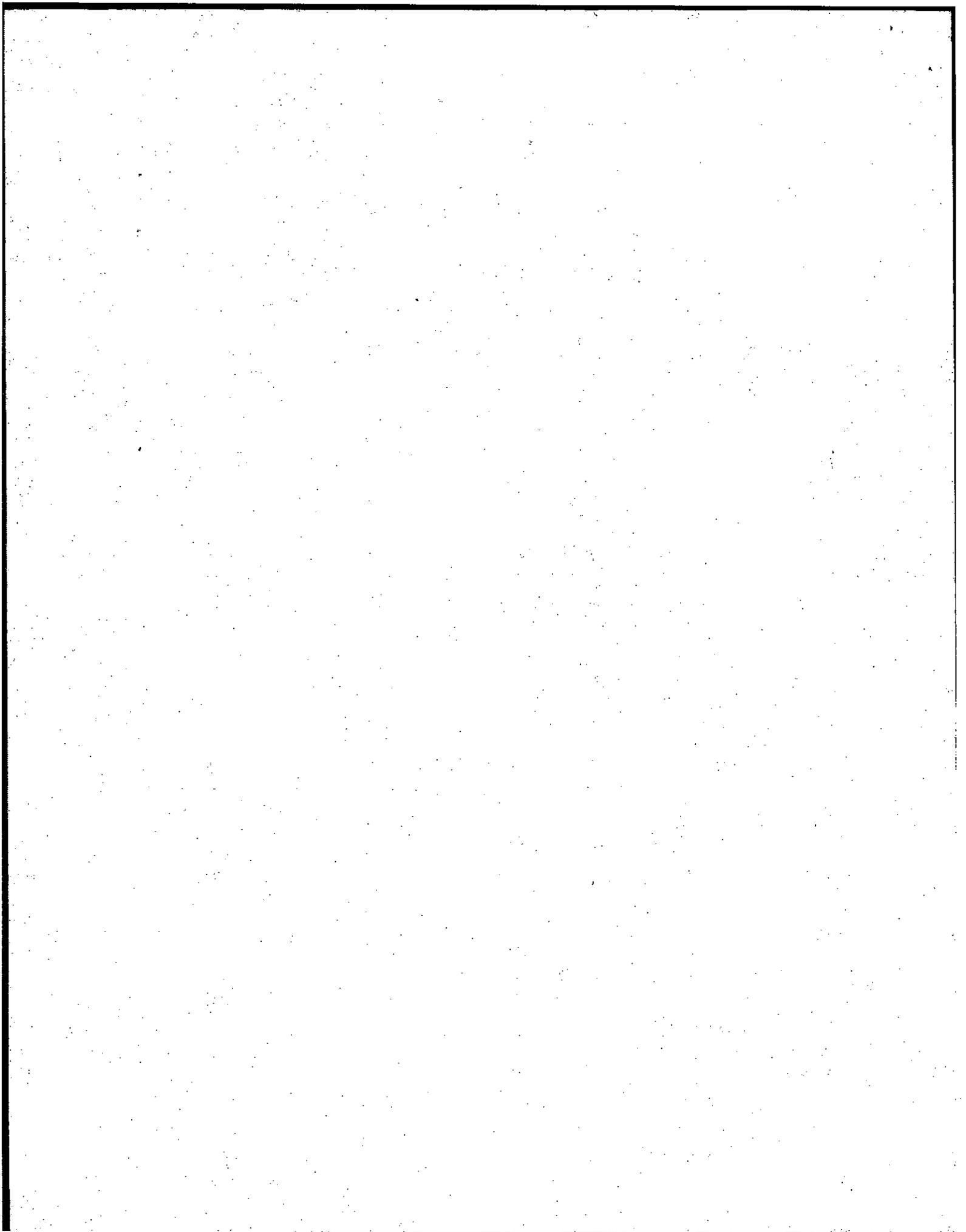
FREDERICK A SUZEL JR

NOTARY PUBLIC-STATE OF NEW YORK

No. 013U4781488

Qualified in Queens County

My Commission Expires February 28, 2010





ORDERING DOCUMENT

Oracle USA, Inc.
 500 Oracle Parkway
 Redwood Shores, CA 94065

Your Name: NASSAU COUNTY, NEW YORK
 Your Location: 240 Old Country Road
 Mineola, NY 11501

Your Contact: Keith Hill
 Phone Number: 516-571-4160
 Email Address: khill@nassaucountynv.gov

ORACLE CONTRACT INFORMATION

Agreement: Software License and Services Agreement

Agreement Name: _____ ("agreement")

This ordering document incorporates by reference the terms of the agreement specified above. The following defined and capitalized terms in the referenced agreement between you and Oracle USA, Inc. (as successor in interest to Oracle Corporation, hereinafter "Oracle") shall have the same meaning as the stated terms in this ordering document: "Agreement" and "agreement"; "Customer"/"Client" and "you"/"your"; "Program" and "program"; "Technical Support" and "technical support"; "Program Documentation"/"Documentation" and "program documentation"; and "Ordering Document"/"Order Form" and "ordering document".

A. Description and Fees for Ordered Programs and Services

Listed below is a summary of net fees due under the ordering document. These fees are in US Dollars and are exclusive of any applicable shipping charges or applicable taxes. You have ordered the program licenses and 12 months of technical support services described below:

A. 1 - Product Description / License Type	Quantity
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
A. 2 - Product Description / License Type	Quantity
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual	9700

PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	9700

A.3 - Product Description / License Type	Quantity
User Productivity Kit - UPK Developer Perpetual	5
User Productivity Kit - UPK Employee Perpetual	9700
PeopleSoft Enterprise UPK Human Resources over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payroll for North America over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Benefits Administration over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Time & Labor over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePay over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eBenefits over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePerformance over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Learning Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK General Ledger over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Receivables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Asset Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Project Costing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Contracts over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Grants over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Expenses - over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Planning and Budgeting over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Billing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Purchasing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Inventory over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProcurement over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eCompensation Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Absence Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Talent Acquisition Manager over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Strategic Sourcing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Portal over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for Financials/ESA and Supply Chain over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for Financials and Supply Chain Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for PeopleTools over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1

A.4 - Product Description / License Type	Quantity
Diagnostics Pack - Processor Perpetual	18
Application Management Pack for PeopleSoft - Named User Plus Perpetual	50
Application Management Pack for PeopleSoft - Processor Perpetual	18
Oracle Business Intelligence Management Pack - Named User Plus Perpetual	143
Oracle Business Intelligence Suite Enterprise Edition Plus - Named User Plus Perpetual	143
Business Intelligence Server Administrator - Named User Plus Perpetual	10

A.5 - Product Description / License Type	Quantity
Crystal Reports for PeopleSoft Enterprise for Unlimited Users (Mfr is Business Objects SA Third Party Program)	1
Crystal Enterprise/BusinessObjects Enterprise PeopleSoft Enterprise Concurrent Access License (bundles of 5) (Mfr is Business Objects SA Third Party Program)	1
Websphere for PeopleSoft Enterprise (Mfr is International Business Machines Corporation; Third Party Program)	1

	Net Fee
Oracle Programs License Fees	\$1,628,356.32
Oracle Programs Support Fees	\$358,458.35
Net Fee	\$1,987,814.67
Total Fees	\$1,987,814.67

B. General Terms

1. Commencement Date

All program licenses and the period of performance for all services are effective upon shipment of tangible media or upon the effective date of this ordering document if shipment of tangible media is not required.

2. Fees, Invoicing, and Payment Obligation

a. All fees due under this ordering document shall be non-cancelable and the sums paid nonrefundable, except as provided in the agreement.

b. In entering into payment obligations under this ordering document, you agree and acknowledge that you have not relied on the future availability of any program or updates. However, (a) if you order technical support for programs licensed under this ordering document, the preceding sentence does not relieve Oracle of its obligation to provide such technical support under this ordering document, if and when available, in accordance with Oracle's then current technical support policies, and (b) the preceding sentence does not change the rights granted to you for any program licensed under this ordering document, per the terms of this ordering document and the agreement.

c. In accordance with the agreement: (i) license fees are invoiced as of the commencement date; and (ii) service fees are invoiced after the performance of the service; specifically, technical support fees are invoiced quarterly in arrears from the commencement date.

d. In addition to the fees listed in section A, Oracle will invoice you for any applicable shipping charges or applicable taxes.

3. Delivery and Installation

a. You shall be responsible for installation of the software.

b. Oracle has made available to you for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com> the programs listed in section A. Through the Internet URL, you can access and electronically download to your location the software and related documentation for each program listed in section A. Provided that you have continuously maintained technical support for the programs listed in section A, you may continue to download the software and related program documentation for the programs listed in section A. Please be advised that not all programs are available on all hardware/operating system combinations. For current program availability please check the electronic delivery web site. You acknowledge that Oracle's delivery obligation under this ordering document is met by the provision of the electronic delivery web site URL.

4. Source Code

Oracle may deliver source code as part of its standard delivery for particular programs; all source code delivered by Oracle is subject to the terms of the agreement, ordering document and program documentation.

5. Segmentation

The program licenses provided in this ordering document are offered separately from any other proposal for consulting services you may receive or have received from Oracle and do not require you to purchase Oracle consulting services.

6. Order of Precedence

In the event of any inconsistencies between the agreement and this ordering document, this ordering document shall take precedence.

7. Customer Reference

In consideration of the discounts granted to you under this ordering document, Oracle may refer to you as a customer in sales presentations, marketing vehicles and activities. In addition you agree to become part of Oracle's reference program by working with a representative from Oracle Marketing to develop a customer profile for use on Oracle.com and for other promotional activities at Oracle's discretion. The profile will include a quote from an executive of your organization and your organization's logo.

8. Territory

The program licenses and services described in section A are for use in the U.S.

9. Limited Use Programs

The programs listed in section A-4 are limited use programs and may be used only with the programs listed in section A.1, section A.2 and section A.3.

10. Technical Support Cap

Software Update License & Support (or any successor technical support offering to Software Update License & Support, "SULS") acquired with your order may be renewed annually and, if you renew SULS for the same number of licenses for the same programs, for the first, second, third and fourth renewal years, the fee for SULS will not increase over the prior year's fee. If you renew SULS for the same number of licenses for the same programs for the fifth, sixth, seventh, eighth or ninth renewal year, the fee for SULS will not increase by more than three percent (3%) over the prior year's fees.

C. Future Purchases

1. Expansion

a. If you exceed your licensed quantity you must order the programs (and first year Software Update License & Support for the programs) at the appropriate license and support fees specified on the attached Expansion Exhibit. The number of additional program licenses to be ordered shall be equal to the actual dollar amount of Enterprise \$M of Operating Budget listed in section A.1 and/or the actual number of Enterprise Employees listed in section A.2 as of the order date less the total number of licensed quantity (under this ordering document or other ordering documents) rounded up to the next increment on the attached Expansion Exhibit.

b. The license definitions and program specific terms contained in section D of this ordering document will apply to program licenses ordered pursuant to this section.

c. Oracle has no delivery obligation for program licenses ordered pursuant to this section.

D. Enterprise Application Specific Terms

1. Enterprise \$M Operating Budget

\$M Operating Budget is defined as one million US Dollars of your gross budget reflected in an audited statement from your external accounting firm.

2. Applicable to programs with the license type of Enterprise \$M Operating Budget

The value of these program licenses is determined by the amount of Enterprise \$M Operating Budget. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the amount of Enterprise \$M Operating Budget as of the effective date of your order. If at any time the amount of Enterprise \$M Operating Budget exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the amount of Enterprise \$M Operating Budget is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the amount of Enterprise \$M Operating Budget. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise \$M Operating Budget as of such date.

3. Enterprise Employee

Enterprise Employee is defined as all of your full-time, part-time, temporary employees and all of your agents, contractors and consultants. The quantity of the licenses required is determined by the number of Enterprise Employees and not the actual number of users. In addition, if you elect to outsource any business function(s) to another company, all of the company's full-time, part-time, temporary employees and agents, contractors and consultants that are providing the outsourcing services for you must be counted for the purposes of determining the number of Enterprise Employees.

4. Applicable to programs with the license type of Enterprise Employee

The value of these program licenses is determined by the number of Enterprise Employees. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the number of Enterprise Employees as of the effective date of your order. If at any time the number of Enterprise Employees exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the number of Enterprise Employees is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the number of Enterprise Employees. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise Employees as of such date.

5. Archival Back-Up and Disaster Recovery

The last sentence of Article II, Section E.3 of the agreement shall not apply to the programs listed in sections A.1, A.2 and A.3 of this ordering document.

F. Program Specific Terms for the Peoplesoft Product Lines

1. License Grant

Oracle grants to you a non-exclusive, nontransferable license for your UPK Developer(s) to: (i) use those User Productivity Kit ("UPK") products listed in Section A (collectively referred to as "materials") only as necessary to create and provide training solely for UPK to use the underlying programs for your benefit; (ii) make an unlimited number of copies of the materials only as necessary to create and provide training solely to UPK to use the underlying programs for your benefit; and (iii) develop modifications and customizations to the UPK programs licensed per UPK Module, if applicable, all subject to the terms and conditions set forth in the agreement, provided all copyright notices are reproduced as provided on the original. You are prohibited from reselling or distributing the materials to any other party or using the materials other than as explicitly permitted in this ordering document or in the agreement. Oracle represents that the materials and any content created by you using the program materials contain valuable proprietary information. Oracle (or its third-party program providers) retains title to all portions of the materials and any copies thereof. You shall use materials modifications created by you solely for your internal use in accordance with the terms of the agreement. You may provide access to and use of the materials only to those third parties that are licensed as UPK Users and that: (a) provide services to you concerning your use of the materials; (b) have a need to use and access the materials; and (c) have agreed to substantially similar non-disclosure obligations imposed by you as those contained in the agreement. **NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, PROGRAMS LICENSED PER UPK MODULE ARE PROVIDED "AS IS" AND ARE PROVIDED WITHOUT WARRANTY OF ANY KIND.**

1. UPK Materials

For UPK content materials licensed under this ordering document, you represent and warrant that you have a valid license for the underlying program(s). All content materials are published in English language only.

2. UPK Module

UPK Module is defined as the functional software component described in the product documentation.

3. Included Programs - Crystal Reports for PeopleSoft Enterprise

This program is a third party program and it is also a supportable program. "Unlimited users" for purposes of this program means all users who are authorized by you to use such program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

4. Included Programs - Crystal Enterprise/BusinessObjects Enterprise for PeopleSoft Enterprise

You acknowledge that this program requires a web application server. This third party program is a supportable program. A "concurrent access license" is a license for one person to access all features and functions of this program. A concurrent access license user is accessing the program from the time the concurrent access license user logs onto the program until the concurrent access license user exits or closes the program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

5. Included Programs - WebSphere

Notwithstanding anything in the agreement to the contrary, Oracle shall not be obligated to indemnify you for any claims based on: (i) any third party products identified in the "README" AND "LICENSE.TXT" files included with WebSphere; (ii) open source code delivered with the WebSphere product; (iii) any trade secret embodied within WebSphere; and (iv) the combination, operation or use of WebSphere with any non-International Business Machine Corporation product, data, or apparatus. In addition to the terms set forth in the agreement and this ordering document, use of this program shall be subject to the terms and conditions set forth in the "README" and "LICENSE.TXT" files included with the WebSphere program, as those terms may change from time to time. Notwithstanding anything herein to the contrary: (a) source code is not included for this program and (b) this third party program is a supportable program.

By signing below, the parties agree that the agreement and this ordering document constitute the entire agreement between the parties with regard to the subject matter herein and as such, no other preprinted, non-negotiated or other terms and conditions, on the customer's purchase order or elsewhere, shall apply. The offer is valid through 30-NOV-2008 and shall become binding upon execution by you and acceptance by Oracle.

NASSAU COUNTY, NEW YORK

Signature

Name

Title

Signature Date

Effective Date

 (to be completed by Oracle)

ORACLE USA, INC.

Signature

Name

Title

Signature Date

Expansion Exhibit

1. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.1 with the license type "Enterprise \$M in Operating Budget Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment (In millions)
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual	84,264.19	20,738.12	320

2. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.2 with the license type "Enterprise Employee Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	24,372.91	5,362.04	970

APPENDIX A

**STANDARD CLAUSES FOR NEW YORK STATE
CONTRACTS**

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of the State and any attempts to assign the contract without the State's written consent are null and void. The Contractor may, however, assign its right to receive payment without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER'S APPROVAL. In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).

4. WORKERS' COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the

performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor

within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) **PRIVACY NOTIFICATION.** (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law.

(2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment,

employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165. (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES. In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St - 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl St - 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), the State shall not purchase any apparel from any vendor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) vendor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with the State), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

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EXHIBIT 1

ORACLE TECHNICAL SUPPORT POLICIES

Technical Support Policies

Effective Date: 27-October-2008

Unless otherwise stated, these Technical Support Policies apply to technical support for all Oracle product lines. These Technical Support Policies may be referred to in former PeopleSoft agreements as the "Software Support Services Terms and Conditions", in former Siebel agreements as the "Maintenance Services Policy", in former Hyperion agreements as the "Standard Maintenance Program", in former Agile agreements as the "product support policy" and in former BEA agreements as the "Support Services" policies.

"You" and "your" refers to the individual or entity that has ordered technical support from Oracle or an authorized distributor.

To receive technical support as provided by Oracle Support Services ("OSS") and described in the Oracle Technical Support Levels section below, all programs must be properly licensed.

Technical support is provided for issues (including problems created by you) that are demonstrable in the currently supported release(s) of an Oracle licensed program, running unaltered, and on an appropriate hardware, database and operating system configuration, as specified in your order or program documentation.

Product release and supported platforms information for all Oracle programs, other than Cimmety AutoVue and Vuelink programs ("Cimmety programs"), Crystal Ball programs, and AdminServer programs, is available through Oracle's web-based customer support systems as described in the Web-Based Customer Support Systems section below. Product release and supported platforms information for Cimmety programs is available in the AutoVue Administration Guide that is included with the Cimmety program documentation.

Product release and supported platforms information for the following programs will be provided to you in writing:

Crystal Ball
AdminServer
Skywire (programs not included on the Skywire Online Support Portal)

Oracle will provide technical support in accordance with Oracle's privacy policy available at <http://www.oracle.com/html/privacy.html>.

These Technical Support Policies are subject to change at Oracle's discretion, however the services provided will not be materially reduced during the support period (defined below).

To view changes that have been made, please refer to the attached Statement of Changes (PDF).

Technical Support Fees

Technical support fees are due and payable annually in advance of a support period, unless otherwise stated in the relevant ordering document or financing or payment contract with Oracle or an Oracle affiliate. Your commitment to pay is required to process your technical support order with Oracle (e.g., purchase order, actual payment, or other approved method of payment). An invoice will be issued only upon receipt of your commitment to pay, and will be sent to a single billing address as designated by you. Failure to submit payment will result in the termination of support.

Support Period

Technical support is effective upon the effective date of your ordering document unless stated otherwise in your ordering document. If your order was placed through the Oracle Store, the effective date is the date your order was accepted by Oracle. Unless otherwise stated in the ordering document, Oracle technical support terms, including pricing, reflect a 12 month support period (the "support period"). All technical support services ordered for a support period and the related fees are non-cancelable and non-refundable. Oracle is not obligated to provide technical support beyond the end of the support period unless your technical support contract is renewed on or before the service expiration date.

License Set

A license set consists of (i) all of your licenses of a program, including any options* (e.g., Database Enterprise Edition and Enterprise Edition Options; Purchasing and Purchasing Options), Enterprise Manager* (e.g., Database Enterprise Edition and Diagnostics Pack), or self-service module* (e.g., Human Resources and Self-Service Human Resources) licensed for such programs, or (ii) all of your licenses of a program that share the same source code**. Development and demonstration licenses available through the Oracle Partner Network or the Oracle Technology Network are not included in the definition of a license set. For Crystal Ball programs, a license set is defined as the same licenses of a program contained on a single order.

*As specified on Oracle's price list.

**Programs that share the same source code are:

- Database Enterprise Edition, Database Standard Edition, Database Standard Edition One, and Personal Edition, and
- Internet Application Server Enterprise Edition, Internet Application Server Standard Edition, Internet Application Server Standard Edition One, and Internet Application Server Java Edition.

Matching Service Levels

When acquiring technical support, all licenses in any given license set must be supported under the same technical support service level (e.g., Software Update License & Support or unsupported). You may not support a subset of licenses within a license set; the license set must be reduced by terminating any unsupported licenses. You will be required to document license terminations via a termination letter.

Reinstatement of Oracle Technical Support

In the event that technical support lapses or was not originally purchased, upon the commencement of technical support a reinstatement fee will be assessed. The reinstatement fee is equal to 150% of the last-paid support fee, or 150% of the last-published list technical support price for the licensed program less the applicable standard discount as published on the Oracle Store ("standard discount") in effect at the time of reinstatement if support was not originally purchased for the relevant programs, prorated from the date technical support is being ordered back to the date technical support lapsed (or the license order date if technical support was never purchased). Applicable renewal adjustments are applied. Once the reinstatement fee has been assessed, technical support for the year following the reinstatement period may be purchased for an additional technical support fee as calculated based on how long the licensed program has been unsupported ("go-forward support fee"). If the lapsed support period is less than 6 months, the go-forward support fee is calculated based on the last-published list technical support price less the applicable standard discount in effect at the time of reinstatement. If the lapsed support period is 6 months or greater, the go-forward support fee is calculated based on the last-paid support fee. If support is not reinstated for the entire license set or if support for a subset of licenses from an ordering document is reinstated, then the "License Set", "Matching Service

Levels", and "Pricing following Reduction of Licenses or Support Level" policies will apply. Applicable renewal adjustments are applied to the reinstatement fee and go-forward support fee.

Pricing following Reduction of Licenses or Support Level

Pricing for support is based upon the level of support and the volume of licenses for which support is ordered. In the event that a subset of licenses on a single order is terminated or if the level of support is reduced, support for the remaining licenses on that license order will be priced at Oracle's list price for support in effect at the time of termination or reduction minus the applicable standard discount. Such support price will not exceed the previous support fees paid for both the remaining licenses and the licenses being terminated or unsupported, and will not be reduced below the previous support fees paid for the licenses continuing to be supported. If the license order from which licenses are being terminated established a price hold for additional licenses, support for all of the licenses ordered pursuant to the price hold will be priced at Oracle's list price for support in effect at the time of reduction minus the applicable standard discount.

Custom Application Bundles

Technical support may not be discontinued for a single program module within a custom application bundle.

Unsupported Programs

Customers with unsupported programs do not receive updates, maintenance releases, patches, telephone assistance, or any other technical support services for the unsupported programs. CD packs or programs purchased or downloaded for trial use, use with other supported programs, or purchased or downloaded as replacement media may not be used to update any unsupported programs.

Technical Contacts

Your technical contacts are the sole liaisons between you and OSS for technical support of programs. It is the recommended standard that your technical contacts are trained representatives of your company. Such training shall include initial basic product training and, as needed, supplemental training appropriate for specific role or implementation phase, specialized product usage, and/or migration. Your technical contacts should be knowledgeable about the Oracle programs and your Oracle environment in order to help resolve system issues and to assist Oracle in analyzing and resolving service requests. When submitting a service request, your technical contact should have a baseline understanding of the problem you are encountering and an ability to reproduce the problem in order to assist Oracle in diagnosing and triaging the problem. To avoid interruptions in support services, you must notify OSS whenever technical contact responsibilities are transferred to another individual.

With the order of Software Update License & Support, you may designate one (1) primary and four (4) backup individuals ("technical contact") per license set, to serve as liaisons with OSS. With each USD\$250,000 in net support fees per license set, you have the option to designate an additional two (2) primary and four (4) backup technical contacts. Your primary technical contact shall be responsible for (i) overseeing your service request activity, and (ii) developing and deploying troubleshooting processes within your organization. The backup technical contacts shall be responsible for resolving user issues. You may be charged a fee to designate additional technical contacts.

Oracle may review service requests logged by your technical contacts, and may recommend specific training to help avoid service requests that would be prevented by such training.

Program Updates

"Update" means a subsequent release of the program which Oracle generally makes available for program licenses to its supported customers at no additional license fee, other than shipping

charges if applicable, provided you have ordered a technical support offering that includes software updates for such licenses for the relevant time period. Updates do not include any release, option or future program that Oracle licenses separately. Updates are provided when available, and Oracle is under no obligation to develop any future programs or functionality. Any updates made available will be delivered to you, or made available to you for download. If delivered, you will receive one update copy for each supported operating system for which your program licenses were ordered. You shall be responsible for copying, downloading and installing the updates.

Oracle Configuration Manager

Oracle provides Oracle Configuration Manager (OCM) with some of its programs. The OCM is a tool that assists in the collection and transmission of your configuration data to Oracle to enable us to respond more efficiently to your service requests. The OCM tool will connect to Oracle over the internet. You may not receive a separate notice upon connection. You may turn the OCM tool off, however we strongly discourage this as it impedes our ability to provide services to you. More information on the tool is available at <http://www.oracle.com/technology/documentation/ocm.html>. By using this tool, you consent to the transmission of your configuration information to Oracle.

OCM will not access, collect or store any personally identifiable information (except for technical support contact information) or business data files residing in your software environment. Configuration data provided to Oracle by software tools will be stored in password-protected repositories. It will be used to assist in resolving service requests and to provide recommendations regarding configuration of your environment and deployment of programs. In addition, because the configuration information will be updated, it may be used by Oracle to assist you in managing your Oracle product portfolio, for license and services compliance and to help Oracle improve upon product and service offerings for you.

Payment Plan, Financing and Leasing Agreements

Technical support fees due under payment plans, financing or leasing agreements between you and Oracle or an Oracle affiliate ("payment plan") are due and payable in accordance with the terms and conditions of such payment plan, but the technical support shall be ordered pursuant to the terms of the applicable ordering document.

Lifetime Support

Lifetime Support consists of the following service levels:

- "Premier Support" which refers to the first 5 years of basic technical support services (also referred to as, and will be documented on your ordering document as, "Software Update License & Support")
- Extended Support (if offered)
- Sustaining Support

A description of the services available under Premier Support, Extended Support and Sustaining Support is included in the Oracle Technical Support Levels section below.

When offered, Premier Support will be available for five years from the date a release of the Oracle program becomes generally available, except as noted below.

Based on availability, support may be extended for an additional three years with Extended Support for specific releases.

Alternatively, support may be extended with Sustaining Support which will be available for as long as you maintain technical support for your Oracle licenses.

Refer to the attached document titled "Lifetime Support Policy: Coverage for Server Technologies" (PDF) for specific server technology programs that are, or will be, covered by the Lifetime Support policy.

Refer to the attached document titled "Lifetime Support Policy: Coverage for Applications" (PDF) for specific application programs that are, or will be, covered by the Lifetime Support policy.
Refer to the attached document titled "Lifetime Support Policy: Coverage for Retail Applications" (PDF) for specific Retail application programs that are, or will be, covered by the Lifetime Support policy.

Notes:

1. Active Reasoning, ContextMedia, Crystal Ball, Notiva, Sigma Dynamics, AdminServer, and Skywire and other programs and releases that have already had desupport dates posted on OracleMetaLink are excluded from the Lifetime Support policy.
2. For PeopleSoft Enterprise programs that have been retired under the previous 4-year support policy, Sustaining Support will be available for as long as you maintain technical support for these programs.
3. Tax updates and regulatory changes* will be made available for up to six (6) years from the release date of the licensed software for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs. Upgrade scripts, new software patches, and fixes to the latest release will be made available for five (5) years from the release date of the licensed software for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs.

*Tax updates and regulatory changes refers to those updates that address tax and/or regulatory changes which are generally made available to similarly situated licensees of PeopleSoft software, on a when and if available basis only.

4. Oracle's PeopleTools program, which was purchased in conjunction with an application program release, will be supported for as long as such application program release is supported. PeopleTools fixes are delivered in minor releases and patches; patches are provided on the current minor release only. Patches and platform certifications for a PeopleTools minor release are created when that release becomes generally available and will be supported for twelve (12) months after the next minor release becomes generally available.

To receive technical support, you may be required to apply a minor release upgrade of PeopleTools to remain current with versions of third party technologies and products as supported by the provider of the third party product.

5. For certain Oracle Retail application program releases* prior to release 11, limited Premier Support will be available for seven years from when that release became generally available. For Oracle Retail applications for which Premier Support is not available, Sustaining Support will be available for as long as you maintain technical support for these programs.

*formerly Retek, ProfitLogic, and 360 Commerce

6. For Oracle's Cimmetry programs, Oracle generally will make Premier Support available for 2 years following general availability of a release, after which Sustaining Support will be available for as long as you maintain technical support for your Oracle licenses. Premier

Support for Cimmetry programs will be documented on your ordering document as Software Update License & Support or Cimmetry Maintenance.

7. For supported customers whose Oracle application programs are only certified on Oracle9i Database Release 9.2 and the release for such application programs is currently supported under Premier Support or Extended Support, the Extended Support fee for Oracle9i Database Release 9.2 has been waived for the period August 1, 2008 to July 31, 2010. During this period, you will receive access to generally available fixes and critical patch updates ("CPUs") for such supported application programs running on the Oracle9i Database Release 9.2, at no additional cost other than your fees for Software Update License & Support (or any successor technical support offering to Software Update License & Support). A list of applications that are certified on Oracle9i Database Release 9.2 is available at <http://www.oracle.com/support/collateral/tsp-certified-applications.pdf>.
8. For the first year of Sustaining Support for Oracle E-Business Suite Release 11i, Oracle will provide fixes for Severity 1 production bugs. No legislative updates will be provided with the exception of U.S. Tax Form 1099 updates for the 2008 tax year. The period for the first year of Sustaining Support for Oracle E-Business Suite Release 11i is July 1, 2008 - June 30, 2009.
9. Extended Support for the Hyperion Pre-System 9 programs will be offered for the period October 1, 2008 to September 30, 2009. The Extended Support fee for this period has been waived for those program licenses for which customers have paid the System 9 Enablement Fee and for which technical support is continuously maintained.

Right to Desupport

It may become necessary as a part of Oracle's product lifecycle to desupport certain program releases and, therefore, Oracle reserves the right to desupport certain program releases. Program releases that are designated as subject to Premier Support under Oracle's Lifetime Support policy are excluded. If Cimmetry, Crystal Ball, Skywire, or AdminServer programs are desupported, you will be notified of such desupport directly by OSS. For all other Oracle programs, desupport information, including desupport dates, information about availability of Extended Support and Sustaining Support, and information about migration paths for certain features, is posted on OracleMetaLink, Customer Connection, eSupport Portal and BID Portal. Desupport information is subject to change. For Cimmetry, Crystal Ball, Skywire, and AdminServer programs, updated desupport information will be provided to you in writing. For all other Oracle programs, Oracle will provide updated desupport information on OracleMetaLink, Customer Connection, eSupport Portal and BID Portal as necessary.

First and Second Line Support

It is the recommended standard that you establish and maintain the organization and processes to provide "First Line Support" for the supported programs directly to your users. First Line Support shall include but not be limited to (i) a direct response to users with respect to inquiries concerning the performance, functionality or operation of the supported programs, (ii) a direct response to users with respect to problems or issues with the supported programs, (iii) a diagnosis of problems or issues of the supported programs, and (iv) a resolution of problems or issues of the supported programs.

If after reasonable commercial efforts you are unable to diagnose or resolve problems or issues of the supported programs, you shall contact Oracle for "Second Line Support". You shall use commercially reasonable efforts to provide Oracle with the necessary access (e.g., access to repository files, log files, or database extracts) required to provide Second Line Support. Oracle

does not ensure its performance of the technical support described herein if such access is not provided by you when requested by Oracle.

Second Line Support shall include but not be limited to (i) a diagnosis of problems or issues of the supported programs and (ii) reasonable commercial efforts to resolve reported and verifiable errors in supported programs so that such supported programs perform in all material respects the functions described in the associated documentation.

Oracle may review service requests logged by your technical contacts, and may recommend specific organization and process changes to assist you with the above recommended standard practices.

Third Party Vendor-Specific Support Terms

You must remain on a supported environment – including applications and platforms – to receive technical support. If a vendor retires support for its product, you may be required to upgrade to a current certified application, hardware platform, framework, database and/or operating system configuration to continue receiving technical support services from Oracle.

PeopleSoft and JD Edwards Release Information

Release information for PeopleSoft Enterprise and JD Edwards EnterpriseOne programs is available in the attached table titled, "[Release Types for PeopleSoft Enterprise and JD Edwards EnterpriseOne Applications](#)" (PDF).

Hyperion-Specific and Agile-Specific Support Terms

For orders placed pursuant to a Hyperion master agreement or to an Agile master agreement, the following terms apply with respect to the technical support services you have ordered.

Warranties, Disclaimers, and Exclusive Remedies

Oracle warrants that technical support services will be provided in a professional manner consistent with industry standards. You must notify Oracle of any technical support services warranty deficiencies within 90 days from performance of the defective technical support services.

FOR ANY BREACH OF THE ABOVE WARRANTIES, YOUR EXCLUSIVE REMEDY, AND ORACLE'S ENTIRE LIABILITY, SHALL BE THE REPERFORMANCE OF THE DEFICIENT TECHNICAL SUPPORT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH IN A COMMERCIALY REASONABLE MANNER, YOU MAY END THE RELEVANT TECHNICAL SUPPORT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT TECHNICAL SUPPORT SERVICES.

TO THE EXTENT PERMITTED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Liability

NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS, REVENUE, DATA, OR DATA USE. ORACLE'S MAXIMUM LIABILITY FOR ANY DAMAGES ARISING OUT OF OR RELATED TO YOUR ORDER, WHETHER IN CONTRACT OR TORT, OR OTHERWISE, SHALL BE LIMITED TO THE AMOUNT OF THE FEES YOU PAID ORACLE UNDER YOUR ORDER, AND IF SUCH DAMAGES RESULT FROM YOUR USE OF TECHNICAL SUPPORT SERVICES, SUCH LIABILITY SHALL BE LIMITED TO THE FEES

YOU PAID ORACLE FOR THE DEFICIENT TECHNICAL SUPPORT SERVICES GIVING RISE TO THE LIABILITY.

For orders placed pursuant to a Hyperion master agreement, the following terms also apply with respect to the technical support services you have ordered.

Nondisclosure

By virtue of your order, the parties may have access to information that is confidential to one another ("confidential information"). We each agree to disclose only information that is required for the performance of obligations under your order. Confidential information shall be limited to the terms and pricing under your order and all information clearly identified as confidential at the time of disclosure.

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; (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.

We each agree to hold each other's confidential information in confidence for a period of three years from the date of disclosure. Also, we each agree to disclose confidential information only to those employees or agents who are required to protect it against unauthorized disclosure. Nothing shall prevent either party from disclosing the terms or pricing under your order in any legal proceeding arising from or in connection with your order or disclosing the confidential information to a federal or state governmental entity as required by law.

Software Update License & Support

Program releases in the Premier Support phase of Oracle's product support lifecycle will receive Software Update License & Support. Software Update License & Support is the standard level for all Oracle support services and consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Tax, legal, and regulatory updates
- Upgrade scripts
- Certification with most new third-party products/versions
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests 24 hours per day, 7 days a week
- Access to OracleMetaLink, Customer Connection, eSupport Portal, BID Portal or Skywire Online Support Portal (24 x 7 web-based customer support systems), including the ability to log service requests online, unless stated otherwise
- Non-technical customer service during normal business hours
- For PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs, web-based support is provided through Customer Connection. For BEA programs, web-based support is provided through the eSupport Portal and BID Portal. For Skywire programs, web-based support is provided through the Skywire Online Support Portal. For all other Oracle programs, unless stated otherwise, web-based support is provided through OracleMetaLink.

Due to the unique constraints of the early releases of former Retek, ProfitLogic, and 360 Commerce retail applications, limited Software Update License & Support will be available for

certain releases prior to release 11. The limited Software Update License & Support will consist of:

- Program updates and fixes
- Major product and technology releases
- Assistance with service requests 24 hours per day, 7 days per week
- Access to OracleMetaLink (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Please review the Oracle Retail chart included in the "[Lifetime Support Policy: Coverage for Retail Applications](#)" (PDF) document for coverage information on your specific release.

Limited Software Update License & Support will be available for Cimmetry programs ("Cimmetry Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 9:00 A.M. to 5:00 P.M. Eastern Time of the North America region
- Ability to log service requests online using the web based form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm>
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for Crystal Ball programs ("Crystal Ball Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 5:00 P.M. Mountain Time of the North America region
- Ability to log service requests via online template located at <http://www.crystalball.com/helpdesk.html> or via telephone at 800.373.5885 (toll free in US) or 1.303.334.7599 (International)
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for the following Moniforce programs: webSensor Enterprise and webProbe ("Moniforce Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 6:00 P.M. Central European Time
- Access to OracleMetaLink (24 x 7 web-based customer support system), including the ability to log service requests online
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for BEA programs ("BEA Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- 7x24 Support Center Coverage for Severity 1 errors (Regional Time Zone)
- Assistance with service requests 24 hours per day, 7 days a week
- Access to eSupport Portal (AskBEA, Newsgroups, Case management, FAQ's, Product News and Updates, Product Documentation) and BID Portal
- Non-technical customer service during normal business hours
- Access to Customer First / Product Retirement support policy via eSupport Portal
- Ability to log service requests via email and telephone.

Limited Software Update License & Support will be available for AdminServer programs ("AdminServer Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:30 A.M. to 8:00 P.M. Eastern Time of the North America region
- Ability to log service requests via telephone at 1.800.566.5064
- Non-technical customer service during normal business hours

Limited Software Update License & Support will be available for Skywire programs ("Skywire Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 7:00 A.M. to 7:00 P.M. Central Time of the North America region except as follows:
 - 7:30 A.M. to 4:30 P.M. Eastern Time of the North America region for the following programs: Whitehill One, Enterprise, Elite Document Studio, XML Transport and Transform Suite
 - 9:00 A.M. to 5 P.M. GMT for the following programs: Documaker, Docuflex and PPS (EMEA and Asia Pacific only)
- Access to Skywire Online Support Portal (24 x 7 web-based customer support system)
- Ability to log service requests as follows:

Program	Online	Telephone	Email
Insbridge, Ingage, INSight, Documaker, Docuflex and PPS	http://skywiresoftware.com/Support/Support.aspx	866.4-SKYWIRE	support@skywiresoftware.com
Documaker, Docuflex and PPS (EMEA and Asia Pacific only)	http://skywiresoftware.com/Support/Support.aspx	44.0.1372.368.222	eurosupport@skywire-software.co.uk
GA, IDX and QuickView	Not available	888.486.4683	cssg@skywiresoftware.com
Whitehill One (formerly BP1), Enterprise, Elite	Not available	888.944.8344	monctonsupport@skywiresoftware.com

Document Studio, XML Transport and Transform Suite			
IStream Document Manager, IStream Publisher, IStream Communicator, Tracker and Launcher	Not available	877.363.7027 x 3225	markhamdirectsupport@skywiresoftware.com

- Non-technical customer service during normal business hours

Enterprise Linux Support Services

Effective October 25, 2006, Oracle will offer Enterprise Linux support services to customers, regardless of whether or not they are using Oracle programs. For information about the available services, please refer to the Enterprise Linux and Oracle VM Support Policies available at <http://www.oracle.com/support/collateral/enterprise-linux-support-policies.pdf>.

Oracle VM Support Services

Effective November 14, 2007, Oracle will offer Oracle VM support services to customers, regardless of whether or not they are using Oracle programs. For information about the available services, please refer to the Enterprise Linux and Oracle VM Support Policies available at <http://www.oracle.com/support/collateral/enterprise-linux-support-policies.pdf>.

Priority Service

Priority Service is available for program releases eligible to receive Premier, Extended, or Sustaining Support. Priority Service consists of:

- **Prioritization of Service Requests:** Service requests will be prioritized above service requests of the same severity level submitted by Premier Support customers
- **Service Request Response Guidelines:** Reasonable efforts will be made to respond to service requests per the following guidelines:
 - 90% of Severity 1 service requests submitted by you will be responded to within 1 hour (available 24x7)
 - 90% of Severity 2 service requests submitted by you will be responded to within 2.5 local business hours
 - 90% of Severity 3 service requests submitted by you will be responded to within the next local business day
 - 90% of Severity 4 service requests submitted by you will be responded to within the next local business day
- Time-based internal escalations for Severity 1 and Severity 2 service requests
- Designated Oracle service manager who is responsible for assisting in the management of service requests, and providing service reviews
- Priority response from Oracle's Product Development team for product bugs initiated for the resolution of service requests
- 24x7 access to a customer-specific web portal
- Quarterly service reviews
- Pre-recorded orientation session
- Priority access to Oracle-sponsored events, as made available to Priority Service customers
- Access to monthly web conference sessions featuring Oracle executives and/or Oracle product technology experts
- Quarterly live chats with senior Oracle product technology experts and/or management, available exclusively to Priority Service customers

In order to acquire Priority Service for a license set, you must acquire Software Update License & Support for that license set. If you have maintained Software Update License & Support and want to purchase Priority Service for a license set, the licenses do not need to be migrated to current license metrics to do so.

Priority Service is not subject to the Reinstatement policies stated above. Priority Service is not available for all programs. Please contact your Support Sales Representative for service availability.

Incident Server Support Package

Incident Server Support provides web-based technical support on a per server basis in packages of 10 service requests, and is available for as long as Premier Support is available for your Oracle licenses. The Incident Server Support Packages do not include updates and may not be used, purchased, or sold in conjunction with any other support offering. If you want to obtain Software Update License & Support, it will be subject to Oracle's reinstatement policies in effect at the time of reinstatement. Incident Server Support is available for the following limited product sets, across all platforms:

- Oracle Database Server Support Package: Oracle Database Enterprise Edition, Oracle Database Standard Edition, Oracle Database Standard Edition One, Partitioning, Real Application Clusters
- Oracle Application Server Support Package: Internet Application Server Enterprise Edition, Internet Application Server Standard Edition, Internet Application Server Java Edition

Incident Server Support Packages are valid for one year from the date of purchase. Any unused service request(s) expire at the end of such term. Access to *OracleMetaLink* expires at the same time the final service request is resolved. Your service request total will not be decreased by the number of service requests initiated for the resolution of a product bug. Incident Server Support includes:

- Access to *OracleMetaLink* (24x7 web-based technical support system), including the ability to log service requests online
- Access to downloadable software patches and patchsets

JDeveloper Support

JDeveloper Support is made available for Oracle JDeveloper that has been downloaded from the Oracle Technology Network after June 28, 2005. JDeveloper Support consists of:

- Assistance with service requests 24 hours per day, 7 days a week
- Access to *OracleMetaLink* (24 x 7 web-based technical support system), including the ability to log service requests online
- Non-technical customer service during normal business hours (e.g., assistance with support identification numbers, assistance with logging into *OracleMetaLink*)

Service Request Packages

Service Request Packages are made available to members of the Oracle Partner Network. Service Request Packages provide web-based technical support in packages of 10 or 25 service requests, do not include updates, and are not available for all programs. Please contact your OPN Interaction Center (<http://partner.oracle.com/>) for program availability.

Service Request Packages are valid for one year from the date of purchase. Any unused service request(s) will expire at the earlier of (i) the end of such year, or (ii) the end of your OPN

membership term if such membership is not renewed. Access to log service requests will be restricted at the same time the final service request is resolved.

Extended Support

Extended Support may be available for certain Oracle program releases after Premier Support expires. When Extended Support is offered, it is generally available for three years following the expiration of Premier Support and only for the terminal patchset release of a program.

Program releases eligible for Extended Support will receive Software Update License & Support limited to the following:

- Program updates, fixes, security alerts, and critical patch updates
- Tax, legal and regulatory updates
- Upgrade scripts
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests 24 hours per day, 7 days per week
- Access to OracleMetaLink, Customer Connection, e-Support, Customer Portal, or Customer Center Portal (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Extended Support does not include:

- Certification with new third party products/versions

Sustaining Support

Sustaining Support will be available after Premier Support expires. Program releases eligible for Sustaining Support will receive Software Update License & Support limited to the following:

- Program updates, fixes, security alerts, and critical patch updates created during the Premier Support period, and created during the Extended Support period for those customers who purchased Extended Support.
- Tax, legal, and regulatory updates created during the Premier Support period
- Upgrade scripts created during the Premier Support period
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests, on a commercially reasonable basis, 24 hours per day, 7 days a week
- Access to OracleMetaLink, Customer Connection, e-Support, Customer Portal, or Customer Center Portal (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Sustaining Support does not include:

- New program updates, fixes, security alerts, and critical patch updates
- New tax, legal and regulatory updates
- New upgrade scripts
- Certification with new third party products/versions
- 24 hour commitment and response guidelines for Severity 1 service requests as defined in the Severity Level section below

Because program releases supported by Sustaining Support are no longer fully supported, information and skills regarding those releases may be limited. The availability of hardware systems to run such program releases may also be limited.

North American Payroll Tax Updates

North American Payroll Tax Updates is available for programs eligible to receive Sustaining Support. Customers who acquire North American Payroll Tax Updates will receive a tax year of tax updates for Oracle payroll applications.

In order to acquire North American Payroll Tax Updates, your licensed programs must be currently supported with Software Update License & Support. If you have maintained Software Update License & Support and want to acquire North American Payroll Tax Updates, the licenses do not need to be migrated to current license metrics to do so.

North American Payroll Tax Updates will be delivered through Customer Connection (for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs), or through OracleMetaLink (for all other Oracle programs).

When offered, North American Payroll Tax Updates may be acquired for up to two (2) years from the availability of Sustaining Support for the applicable Oracle program release. North American Payroll Tax Updates is not subject to the Reinstatement policies stated above. North American Payroll Tax Updates is not available in all countries or for all programs. Please contact your Support Sales Representative for service availability.

Cimmetry Support

Cimmetry Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 9:00 A.M. to 5:00 P.M. Eastern Time of the North America region
- Ability to log service requests online using the web based form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm>
- Non-technical customer service during local business hours

Moniforce Support

Moniforce Support applies to technical support services for the following Moniforce programs: webSensor Enterprise and webProbe and consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 6:00 P.M. Central European Time
- Access to OracleMetaLink (24 x 7 web-based customer support system), including the ability to log service requests online
- Non-technical customer service during local business hours

Crystal Ball Support

Crystal Ball Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates

- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 5:00 P.M. Mountain Time of the North America region
- Ability to log service requests via online template located at <http://www.crystalball.com/helpdesk.html> or via telephone at 800.373.5885 (toll free in US) or 1.303.334.7599 (International)
- Non-technical customer service during local business hours

BEA Support

BEA Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- 7x24 Support Center Coverage for Severity 1 errors (Regional Time Zone)
- Assistance with service requests 24 hours per day, 7 days a week
- Access to eSupport Portal (AskBEA, Newsgroups, Case management, FAQ's, Product News and Updates, Product Documentation) and BID Portal
- Non-technical customer service during normal business hours
- Access to Customer First / Product Retirement support policy via eSupport Portal
- Ability to log service requests via email and telephone.

AdminServer Support

AdminServer Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:30 A.M. to 8:00 P.M. Eastern Time of the North America region
- Ability to log service requests via telephone at 1.800.566.5064
- Non-technical customer service during normal business hours

Skywire Support

Skywire Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 7:00 A.M. to 7:00 P.M. Central Time of the North America region except as follows:
 - 7:30 A.M. to 4:30 P.M. Eastern Time of the North America region for the following programs: Whitehill One, Enterprise, Elite Document Studio, XML Transport and Transform Suite
 - 9:00 A.M. to 5 P.M. GMT for the following programs: Documaker, Docuflex and PPS (EMEA and Asia Pacific only)
- Access to Skywire Online Support Portal (24 x 7 web-based customer support system)
- Ability to log service requests as follows:

Programs	Online	Telephone	Email
Insbridge, Ingage,	http://skywiresoftware.com	866.4-SKYWIRE	support@skywiresoftware.com

INSight, Documaker, Docuflex and PPS	com/Support/Support.aspx		
Documaker, Docuflex and PPS (EMEA and Asia Pacific only)	http://skywiresoftware.com/Support/Support.aspx	44.0.1372.366.222	eurossupport@skywire-software.co.uk
GA, IDX and QuickView	Not available	888.486.4683	cssg@skywiresoftware.com
Whitehill One (formerly BPI), Enterprise, Elite Document Studio, XML Transport and Transform Suite	Not available	888.944.8344	menctonsupport@skywiresoftware.com
IStream Document Manager, IStream Publisher, IStream Communicator, Tracker and Launcher	Not available	877.363.7027 x 3225	merkhamdirectsupport@skywiresoftware.com

- Non-technical customer service during normal business hours

A list of technical support offerings that were previously offered by Oracle, or a company acquired by Oracle, is available at <http://www.oracle.com/support/collateral/tsp-previous-offerings.pdf>. The information contained within this list consists of a description of the service offering, date when new sales of the services was eliminated, and renewal options.

The following policy for Web-Based Customer Support Systems applies to all Oracle product lines except PeopleSoft Enterprise, JD Edwards EnterpriseOne, JD Edwards World, Cimmetry, Crystal Ball, BEA, AdminServer, and Skywire programs:

OracleMetaLink is one of Oracle's five customer support web sites. Access to OracleMetaLink is governed by the Terms of Use posted on the OracleMetaLink web site, which are subject to change. A copy of these terms is available upon request. Access to OracleMetaLink is limited to your designated technical contacts. Access to OracleMetaLink is included with Software Update License & Support, Priority Service, Incident Server Support, JDeveloper Support, Extended Support, and Sustaining Support. For customers with a current Software Updates service contract, limited access to OracleMetaLink is included for patches and bug fix information.

The following policy for Web-Based Customer Support Systems applies to PeopleSoft Enterprise, JD Edwards EnterpriseOne, and JD Edwards World programs only:

Customer Connection is Oracle's second customer support web site. Access to Customer Connection is governed by the Terms of Use (PDF) posted on the Customer Connection web site at <http://www.peoplesoft.com/corp/en/login.jsp>, which are subject to change. A copy of these terms is available upon request. Access to Customer Connection is included with Software Update License & Support, Extended Support, Sustaining Support, and PeopleSoft World Support Service and is limited to your designated technical contacts.

The following policy for eSupport Portal applies to 'Classic' BEA programs only:

eSupport Portal is Oracle's third customer support web site. Access to eSupport is governed by the Terms of Use posted on the eSupport Portal web site at <http://support.bea.com>, and are subject to change. A copy of these terms is available upon request. Access to eSupport Portal is limited to your designated technical contacts. Access to eSupport Portal is included with Software Update License & Support, Extended Support, and Sustaining Support.

The following policy for BID Portal applies to 'BID' BEA programs only:

BID Portal is Oracle's fourth customer support web site. Access to BID Portal is governed by the Terms of Use posted on the BID Portal web site at <http://one.bea.com/support>, and are subject to change. A copy of these terms is available upon request. Access to BID Portal is limited to your designated technical contacts. Access to BID Portal is included with Software Update License & Support, Extended Support, and Sustaining Support.

The following policy for Skywire Online Support Portal applies to Insbridge, Ingage, and INSight programs and Documaker, Docuflex and PPS (EMEA and Asia Pacific excluded) programs only:

Skywire Online Support Portal is Oracle's fifth customer support web site. Access to Skywire Online Support Portal is governed by the Terms of Use posted on the Skywire Online Support Portal web site at <http://skywiresoftware.com/Support/Support.aspx>, and are subject to change. A copy of these terms is available upon request. Access to Skywire Online Support Portal is limited to your designated technical contacts. Access to Skywire Online Support Portal is included with Software Update License & Support.

Oracle is deeply committed to the security of its technical support services. In providing standard technical support services, Oracle will adhere to the Global Customer Support Security Practices, which are available [here](#). The Global Customer Support Security Practices are subject to change at Oracle's discretion; however, Oracle will not materially reduce the level of security specified in the Security Practices during the period for which fees for technical support have been paid.

Oracle may make available software tools (such as tools to assist in the collection and transmission of configuration data) and web-based tools (such as tools that enable Oracle, with your consent, to access your computer system) to aid in the resolution of service requests. Such tools may be used only in connection with supported program licenses, and use of the tools will be subject to any additional license and other terms provided with the tools.

Service requests for supported Cimmetry programs may be submitted by you either online using the web form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm> or by telephone by dialing 1.514.735.9941. Service requests for supported Crystal Ball programs may be submitted by you either online using the template at <http://www.crystalball.com/helpdesk.html> or by telephone by dialing 1.800.373.5885 (toll free in the U.S.) or 1.303.334.7599 (International). Service requests for all other supported Oracle programs may be submitted by you online through Oracle's web-based customer support systems, by email, or by telephone. The service request severity level is selected by you and Oracle and should be based on the following severity definitions:

Severity 1

Your production use of the supported programs is stopped or so severely impacted that you cannot reasonably continue work. You experience a complete loss of service. The operation is mission critical to the business and the situation is an emergency. A Severity 1 service request has one or more of the following characteristics:

- Data corrupted
- A critical documented function is not available
- System hangs indefinitely, causing unacceptable or indefinite delays for resources or response

- System crashes, and crashes repeatedly after restart attempts

For all supported Oracle programs other than Cimmetry, Crystal Ball, Moniforce webSensor Enterprise and webProbe, reasonable efforts will be made to respond to Severity 1 service requests within one (1) hour.

For Crystal Ball programs, the Severity 1 service request definition does not apply and thus no response guidelines are available for Crystal Ball programs.

For Moniforce webSensor Enterprise and webProbe programs, reasonable efforts will be made to respond to Severity 1 service requests within one (1) business day during local business hours, excluding holidays; local business hours are Monday through Friday 8:00 A.M. to 6:00 P.M. Central European Time.

24 Hour Commitment to Severity 1 Service Requests for all supported Oracle programs other than Cimmetry, Crystal Ball, Moniforce webSensor Enterprise and webProbe, AdminServer, and Skywire programs: OSS will work 24x7 until the issue is resolved or as long as useful progress can be made. You must provide OSS with a contact during this 24x7 period, either on site or by pager, to assist with data gathering, testing, and applying fixes. You are requested to propose this severity classification with great care, so that valid Severity 1 situations obtain the necessary resource allocation from Oracle.

Severity 2

You experience a severe loss of service. Important features are unavailable with no acceptable workaround; however, operations can continue in a restricted fashion.

Severity 3

You experience a minor loss of service. The impact is an inconvenience, which may require a workaround to restore functionality

Severity 4

You request information, an enhancement, or documentation clarification regarding your software but there is no impact on the operation of the software. You experience no loss of service. The result does not impede the operation of a system.

Phone numbers and contact information can be found on Oracle's support web site at <http://www.oracle.com/support/contact.html>.

EXHIBIT 3

ADVANCED CUSTOMER SERVICES: RATES

ACS – Assisted Services	Days	Amount	Estimated Travel and Expenses
Field Engineer	31	\$58,592.00	\$10,800.00

Should you purchase the services listed in this Exhibit 3 a separate Ordering Document will be sent subsequently for execution.

EXHIBIT 4

TRAINING: RATES

For a period of 24 months from the effective date of this Agreement, Oracle University is able to provide the Oracle Training products and services at the discounted rate of 25% provided that a minimum purchase order of \$250,000 is submitted for training. Oracle University training can be ordered by Nassau County as you require, and only invoiced after actual delivery. Nassau County can purchase training products and services as listed at www.oracle.com/education under standard terms and conditions.

EXHIBIT 5

FUNCTIONALITY AND REQUIREMENTS MATRIX

Exhibit 5

**FUNCTIONALITY AND REQUIREMENTS MATRIX
WHICH INCLUDES
RESPONSE CODE INTERPETATIONS,
PRODUCT NAME CROSS-REFERENCE
AND
ORACLE FUNCTIONALITY AND REQUIREMENTS MATRIX CLARIFICATIONS**

Notes:

1. Oracle's Proposal included program not ordered in the initial purchase of Software under this Agreement; therefore are not part of this Agreement; such products include:

Real Estate Management – Real Estate Management, Enterprise Manager Grid Control – Oracle Database Enterprise Edition, SOA Suite – SOA Suite for Non Oracle Middleware, Oracle Imaging and Process Management (Stellent/Content Management) – Imaging and Process Management, PeopleSoft Directory Interface – Directory Interface, Oracle Identity Management – Identity Manager, BPEL – SAO Suite

2. The following Software is being ordered in the initial purchase but does not appear on the Functionality and Requirements Matrix (Exhibit 5) Oracle Business Intelligence Management Pack and Business Intelligence Server Administration.

Exhibit 5 Functionality and Requirements Matrix-Response Code Interpretations

Set forth below is the Fit-Gap Response code from the RFP and Oracle's interpretation that was used to complete the functional matrices:

Fit-Gap Response	Additional Comment provided by Oracle
<p>F = Fully Provided "Out-of-the-Box"</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided out of the box or through the completing of a task associated with a routine configurable area. These routine configurable areas include, but are not limited to, user-defined fields, delivered or configurable workflows, alerts or notifications, table driven setups and standard reports with no changes. These routine configurable areas would be addressed as part of any implementation and the responsibilities of performing all the tasks associated with all these routine configurable areas are the responsibility of the County or its Implementor.</p>
<p>R = Provided with Reporting Tool</p>	<p>Oracle interprets these requirements to be satisfied by the reports generated using Reporting Tools. (See the Product Name Crosswalk tab for a list of the modules that comprise Reporting Tools.) The responsibilities of performing all the tasks associated with the generation of reports are the responsibility of the County or its Implementor.</p>
<p>CO = Configuration (no changes to underlying source code)</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided through an extension to the application, the development of a new page to the application or logic added to the application through the use of PeopleTools. The responsibilities of performing all the tasks associated with configuration are the responsibility of the County or its Implementor.</p>

<p>TP = Third Party Software Required</p>	<p>Oracle's response in the "Module(s) Required to Fulfill Requirements" or "Fit-Gap Notes / Closure Recommendations (or any updated thereto) may have made mention to third party products; however, this should not be construed as a recommendation of any particular third party product provider/third party product and should the County elect to purchase any such third party products, the County must contract directly with the third party product provider for the third party product.</p>
<p>IM = Modification/Customization (change to source code)</p>	<p>The responsibilities of performing all the tasks associated with modifications/customizations are the responsibility of the County or its Implementor.</p>
<p>W = Workflow Required</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided either through the creation of a new workflow or a significant modification to a standard workflow that is contained in the proposed product(s). The responsibilities of performing all the tasks associated with the creation of new workflows or the modification of existing workflows are the responsibility of the County or its Implementor.</p>
<p>I = Interface Required</p>	<p>The responsibilities of performing all the tasks associated with interfaces are the responsibility of the County or its Implementor.</p>
<p>CF = Custom Fields Required</p>	<p>Oracle interprets these requirements to be satisfied by the creation of a new field being added to the product using PeopleTools. The responsibilities of performing the tasks associated with the creation of a new field are the responsibility of the County or its Implementor.</p>

U = Unable to Meet Requirement

For any requirement marked as U, Oracle does not meet the requirement. Furthermore, Oracle has not provided any indication if or when a future version would meet these requirements. Oracle's response in the "Module(s) Required to Fulfill Requirements" or "Fit-Gap Notes / Closure Recommendations" (or any updated thereto) may have made mention to Oracle's modules or third party products and provide a comment to help the County understand why Oracle is unable to meet the requirement.

Exhibit 5 Functionality And Requirements Matrix-Product Name Cross-Reference

Module Names as Referenced in Matrix	Licensed Program name per Price List/Supplement	Software Version
General Ledger	Financials (PeopleSoft)	9.0
eProcurement	eProcurement (PeopleSoft)	9.0
Purchasing	Purchasing (PeopleSoft)	9.0
Strategic Sourcing	Strategic Sourcing (PeopleSoft)	9.0
eSupplier Connection	eSupplier Connection (PeopleSoft)	9.0
Supplier Contract Management	Supplier Contract Management (PeopleSoft)	9.0
Payables	Financials (PeopleSoft)	9.0
Expenses	Expenses (PeopleSoft)	9.0
Cash Management	Financials (PeopleSoft)	9.0
Grants	Grants (PeopleSoft)	9.0
Program Management	Program Management (PeopleSoft)	9.0
Project Costing	Project Costing (PeopleSoft)	9.0
Contracts	Contracts (PeopleSoft)	9.0
Billing	Financials (PeopleSoft)	9.0
Receivables	Financials (PeopleSoft)	9.0
Bill/Pay (Pay/Bill Management)	Financials (PeopleSoft)	9.0
Asset Management	Financials (PeopleSoft)	9.0
Inventory	Inventory (PeopleSoft)	9.0
Maintenance Management	Enterprise Asset Management (PeopleSoft)	9.0
Deal Management	Treasury (PeopleSoft)	9.0
Planning and Budgeting	Planning and Budgeting (PeopleSoft)	9.0
UPK	User Productivity Kit	9.0
Real Estate Management	Real Estate Management	9.0
Hyperion Planning System 9	Hyperion Planning Plus	11.1.1
Hyperion Workforce planning	Hyperion Workforce Planning	11.1.1

Hyperion Performance Scorecard- system 9	Hyperion Performance Scorecard Plus	11.1.1
Hyperion Capital Expense planning	Hyperion Capital Asset Planning	11.1.1
HR	Human Resources (PeopleSoft)	9.0
Payroll for North America	Payroll (PeopleSoft)	9.0
Absence Management	Absence Management (PeopleSoft)	9.0
Benefits Administration	Benefits Administration (PeopleSoft)	9.0
eBenefits	Human Resources (PeopleSoft)	9.0
ePay	Payroll Interface (PeopleSoft)	9.0
ELM	Enterprise Learning Management (PeopleSoft)	9.0
eCompensation Manager	eCompensation (PeopleSoft)	9.0
eCompensation.	eCompensation (PeopleSoft)	9.0
ePerformance	ePerformance (PeopleSoft)	9.0
eProfile	Human Resources (PeopleSoft)	9.0
eProfile Manager	Human Resources (PeopleSoft)	9.0
Talent Acquisition Manager	Recruiting Solutions (PeopleSoft)	9.0
Candidate Gateway	Recruiting Solutions (PeopleSoft)	9.0
eDevelopment	Human Resources (PeopleSoft)	9.0
Time & Labor	Time and Labor (PeopleSoft)	9.0
PeopleSoft Performance Management Warehouse	Performance Management Warehouse (PeopleSoft)	9.0
Oracle BI Enterprise Edition Suite	Business Intelligence Suite Enterprise Edition Plus	10.1.3
OBIEE	Business Intelligence Suite Enterprise Edition Plus	10.1.3
Enterprise Scorecard (7.0 - 7.4)	Scorecard (PeopleSoft)	9.0
EPM Portal Pack	EPM Portal Pack (PeopleSoft)	9.0
Workforce Scorecard	Workforce Scorecard (PeopleSoft)	9.0
Supplier Rating System	Supplier Rating System (PeopleSoft)	9.0
PeopleTools	PeopleTools (included with all PeopleSoft deals)	8.49
Enterprise Portal	Enterprise Portal (PeopleSoft)	9.0

Portal	Enterprise Portal (PeopleSoft)	9.0
Human Resources Portal Pack	HRMS Portal Pack (PeopleSoft)	9.0
Financial Portal Pack	Financial Portal Pack (PeopleSoft)	9.0
Enterprise Manager Grid Control	Oracle Database - Enterprise Edition	10.2
Application Management Pack for PeopleSoft	Application Manager Pack for PeopleSoft (PeopleSoft)	8.49.0.3.0
Diagnostic Pack for Oracle DB	Diagnostic Pack for Oracle Database	10gR3
SOA Suite	SOA Suite for Non Oracle Middleware	10.1.3
Oracle Imaging and Process Management (aka Stellent or Content Management)	Imaging and Process Management	10gR3
PeopleSoft Directory Interface	Directory Interface (PeopleSoft)	8.49
Oracle Identity Management	Identity Manager	10gR3
BPEL	SOA Suite	10.1.0.2
Crystal	Crystal Reports and Crystal Enterprise (PeopleSoft)	9.00
Query	PeopleTools (included with all PeopleSoft deals)	8.49
XML Publisher (aka BI Publisher)	PeopleTools (included with all PeopleSoft deals)	8.49
System Administrator	PeopleTools (included with all PeopleSoft deals)	8.49
Archive Manager	PeopleTools (included with all PeopleSoft deals)	8.49
Data Archive Manager	PeopleTools (included with all PeopleSoft deals)	8.49
Workflow (aka Workflow Tools)	PeopleTools (included with all PeopleSoft deals)	8.49
Security Administrator	PeopleTools (included with all PeopleSoft deals)	8.49
PeopleTools Security	PeopleTools (included with all PeopleSoft deals)	8.49

Process Scheduler	PeopleTools (included with all PeopleSoft deals)	8.49
Process Monitor	PeopleTools (included with all PeopleSoft deals)	8.49
Ascential Data Stage	Performance Management Warehouse (PeopleSoft)	9.0
IBM/Ascential MetaStage	Performance Management Warehouse (PeopleSoft)	9.0
Reporting Tools	Query, nVision, SQR, XML/BI Publisher (all part of PeopleTools), OBIEE, Crystal Reports,	See individual line item
Integration Tools	Component Interface, Application Engine, Integration Broker, Application Messaging (all part of PeopleTools), BPEL	See individual line item
Application Development Tools	Application Designer (Part of PeopleTools)	See individual line item

F-FA 14	Manually assign specific asset number(s) that are generated from the third-party bar coding system.	Purchasing, Asset Management, 3rd Party Barcode Scanning					The Asset Management application provides the ability to interface to third party bar code reading devices. However, we are not including the third party hardware and software to meet this requirement. The County may work with a certified partner to meet this requirement.	
F-FA 24	Capture the market value of an individual asset.	Asset Management					Market Value can be captured using one of the user-defined Asset attributes.	
F-FA 31	Provide a useful life in whole years value.	Asset Management	CO				As defined, useful life is specified by number of months, not years. Recurrence can be used to change this to years.	
F-FA 8.02	Bar Code Number	Asset Management, 3rd Party Barcode Scanning					The Asset Management application provides the ability to interface to third party bar code reading devices. However, we are not including the third party hardware and software to meet this requirement. The County may work with a certified partner to meet this requirement.	
F-SR 41	Export reports into popular desktop applications (i.e., Microsoft Office).	All Applications						
F-SR 42	Support report definitions with user-defined data sources	All Applications						
F-IN 11.02	Track MS03 inventory items in a table whose format to include: Personal Protective Equipment	Inventory						
F-IN 18.05	Provide the following inventory costing methods, at a minimum: FIFO average	Inventory						
F-IN 21	Support 'kit' issuance for inventory items that are always linked together (e.g., light bar, MDT, gun rack, etc. for a squad car).	Purchasing, Inventory						
F-IN 22	'KIT' issuance performs an available inventory roll across all kit items prior to issuing a pick order to assemble the kit.	Purchasing, Inventory						
F-IN 23	'KIT' backorder possible on out of stock item from an overall kit.	Purchasing, Inventory						

F-IN 4.06	Track the following information in a base inventory record with the following fields: Issued year-to-date	Inventory	Inventory	Inventory	Inventory
F-IN 4.16	Track the following information in a base inventory record with the following fields: Credit (Returned Merchandise) account number	Inventory	Inventory and Cost	Inventory	Inventory
F-IN 4.17	Track the following information in a base inventory record with the following fields: Credit Expense Number	Inventory	Inventory and Cost	Inventory	Inventory
F-IN 4.01	Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon unit cost threshold (e.g., over \$500 is priority A)	Inventory	Inventory	30	All item priority code may be added via People Tools for inclusion in the cycle count process

<p>F - IN 48.02</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon sales unit volume threshold (e.g., over 12 units per year is priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>
<p>F - IN 48.03</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon nature of inventory item (e.g., syringes are priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>
<p>F - IN 48.04</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon nature of inventory item (e.g., syringes are priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>

F - IN 48.08	Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code assigned upon an expiration date of an inventory item (e.g., -synthase are priority/A)	Inventory	Inventory	Inventory	CO		An item priority code may be added via PeopleSoft tools for inclusion in the cycle count process.	
F - IN 48.08	Prompt warehousemen to perform cycle counts based upon priority code assigned to inventory item via hard copy count sheet.	Inventory	Inventory	Inventory	CO		An item priority code may be added via PeopleSoft tools for inclusion in the cycle count process.	
F - IN 49 F - IN 5.02	Support business rules for surplus disposal.	Inventory	Inventory	Inventory	F			
	Inventory status categories to include: Obsolete	Inventory	Inventory	Inventory	F			
F - IN 58	Generate a transaction listing, by item, over a defined date range.	Inventory	Inventory	Inventory	R			
F - IN 7.01 F - IN 7.02	Inventory parts with a labor cost component. Exclude parts from a cost element (e.g., alternator)	Inventory	Inventory	Inventory	CO		Inventory costs can be captured that include labor as a limited cost component. An integration to a third party application capturing those costs would be required.	
	Inventory parts with a labor cost component. Parts built with inventoried material	Inventory	Inventory	Inventory	CO		Inventory costs can be captured that include labor as a limited cost component. An integration to a third party application capturing those costs would be required.	
F - PUR 48.08	Grant expiration date (if applicable)	Purchasing	Purchasing	Purchasing	F		PeopleSoft does not capture the Grant Expiration Date on procurement transactions. This is scored as part of the Grant/Project profile.	

F - PUR 425.02	Maintain receiving discrepancy file by Stock Number	Purchasing	Purchasing						
F - PUR 130	Provide an export feature to the MS-Office desktop application suite.	All Applications	Finance Dept						
F - PUR 130	Provide an export feature to the MS-Office desktop application suite.	All Applications	Support Dept						
F - PUR 24	Track last purchase date and amount for 401 Item.	Purchasing	Purchasing						
F - PUR 42 27	Insurance certification (YN) and expiration date	Purchasing	Purchasing						
F - PUR 35	New purchase requisition will list whether commodity code item is already in County inventory prior to routing the requisition record for approval.	Purchasing, Procurement, Inventory	Purchasing, Procurement, Inventory						
F - PUR 83	Allow a user to assign encumbrance amounts each fiscal year for contracts spanning multiple fiscal years.	Purchasing, General Ledger	Purchasing, General Ledger						
F - PUR 86	Assign a spending limit for each fiscal year over the life of the contract.	Purchasing	Purchasing						The Purchasing application defines spending limits for the overall procurement contract and for the individual procurement line items. The defined spending tools can be used to establish an overall spending limit for each fiscal year.
F - TR 14	Provides investment analysis tools to measure or calculate at a minimum:	Purchasing	Purchasing						
F - TR 14.01	Portfolio risk	Deal Management, Risk Management	Deal Management, Risk Management						
F - TR 14.02	Asset duration	Deal Management, Risk Management	Deal Management, Risk Management						
F - TR 14.03	Asset allocations	Deal Management, Risk Management	Deal Management, Risk Management						
F - TR 16.02	Upload positive pay information	Payables, Cash Management	Payables, Cash Management						
F - TR 28	Tools to support what if derivatives analysis for cost issues to include:								

F-TR-28.01	Fixed to variable rate analysis	Deal Management, Risk Management	Deal Management, Risk Management	F	Risk Management is a data-driven application for evaluating risk. You define how the application works with risk data and model it through capture mechanisms. Risk Management can accommodate the models you define to address the dynamic nature of the market and the varying effects of the types of risk. You can use advanced, predefined functions and analytic programs through our partnership with FEA. You can access and communicate with third-party analysts through their methods: Microsoft Excel, Component Object Model (COM), Flat File Export. See 28.01 above
F-TR-28.02	Variable to fixed rate analysis	Deal Management, Risk Management	Deal Management, Risk Management	F	See 28.01 above
F-TR-28.03	Inclusion of issuance / contract fees	Deal Management, Risk Management	Deal Management, Risk Management	F	See 28.01 above
F-TR-28.04	Sensitivity analysis to interest rate changes	Deal Management, Risk Management	Deal Management, Risk Management	F	
F-AP-10	Cut customer related checks via system interface (property tax refunds) without creating a vendor file.	Payables	Payables	F	
F-AP-60	Provide an authorization listing of approved vendor claims for funding prior to releasing checks or electronic payments.	Payables	Payables	F	
F-AP-60.02	Allow a transaction for received County fund (e.g. services rendered on a special transaction) without generating a remittance to the County	Purchasing, Payables/Receivables/Billing	Purchasing, Payables/Receivables/Billing	F	
F-AR-17	Preserve customer history (i.e., payment transaction history) that is able to be accessed via inquiring on the customer record link	Receivables, Billing	Receivables, Billing	CO	
F-AR-39	Allow a user to put draming letters on hold at the invoice level.	Receivables	Receivables	CO	A hold at the invoice level may be added via PeopleTools
F-AR-40	Preclude generation of draming letters to a customer with "bankrupt" as status in the customer record	Receivables, Billing	Receivables, Billing		The ability to preclude draming letters to customers in a bankrupt status may be added via PeopleTools

F-ARR-1	Drift statistics, including NSF check	Receivables, Billing Project Costing					The delivered PeopleTools can be used to create functionality that tracks revolving loan funds including associated interest and terms.
F-GR-0.00	Track revolving loan funds including associated interest and terms.	General Ledger					PeopleSoft General Ledger delivers the ability to spread costs across projects and project activities based on a variety of allocation methodologies. However, most customers enter transactions at the project/activity level and use allocations for items such as overhead allocations.
F-PR-15.00	Spread project costs in a hierarchical structure using schedule amounts	Grants					The delivered workflow tools can be used to create a workflow notification based on a grant application deadline.
F-PR-15.01	"Tidder" function to capture each date at the grant header level, Grant application deadline	Grants					The delivered workflow tools can be used to create a workflow notification based on a grant closing date.
F-PR-15.02	"Tidder" function to capture each date at the grant header level, Grant closing date	Grants					The delivered workflow tools can be used to create a workflow notification based on a grant reimbursement deadline.
F-PR-15.03	"Tidder" function to capture each date at the grant header level, Reimbursement deadline	Grants					The delivered workflow tools can be used to create a workflow notification based on a grant report deadline.
F-PR-15.04	"Tidder" function to capture each date at the grant header level, Report deadline	Project Costing					The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.02	Project manager contact information	Project Costing					The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.03	Department head	Project Costing					The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.04	Unit head	Project Costing					The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-46.02	Pay vacations including overtime, sick days, holidays, etc.	Project Costing					The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.

HR-HR 142	Ability to notify an employee's supervisor when a license or certification is going to expire in enough time to go through the renewal process (for positions where the license or certificate is required). Ability for a system to link positions to recruiting functionality to ensure that positions must add to create a recruitment action.	Human Resources	R							
HR-HR 22	Ability to produce required OSHA/FESH (Public Employee Safety & Health Act) logs & accident reports from data in system.	Human Resources	F							
HR-HR 280	Ability to report on equipment expiration dates (i.e., qualifications for licenses).	Human Resources	F							
HR-HR 280	Ability to flag those components requiring employer's annual re-flags or W-4s in order to maintain W-4 non-attempt status.	Human Resources	R							The delivered reporting tools enable the County to create the desired report.
HR-PAV 57	Ability to process expense reimbursements (e.g., travel) through the time & leave aspect of the HRMS system.	Human Resources	F							
HR-TA 7 HR-TA 83	Ability to incorporate sick leave usage into the generation of group schedule planning (e.g., roll call, queue).	Time and Expense Third Party, Possible Interfaces required	I							Oracle applications can work with any number of work force scheduling applications. In this case, Oracle suggests leveraging the County's existing timekeeping system and creating group schedules from that application.
HR-HR-243.00	Ability to track equipment usage by hour and minutes that time with one or more subprojects.	Project Costing, Asset Management, General Ledger	F							The General Ledger allocation functionality can be used to apply indirect cost calculations to a project based on equipment usage time.
IT 1.00	System uses real-time and/or batch processing of data.	All modules	F							The Peoplesoft solution uses both real-time and batch processing of data.
IT 10.00 IT 101	Is backward compatible to Oracle 100 RAC. Report all revisions created by a single individual, or set of individuals.	All modules Query (without report writer)	R							The Peoplesoft solution is certified for both 10g and 11g Oracle databases. All software would be the easiest way to report revisions created by a specific person.
IT 104.00	Report any revision with a revision comment that contains a given text string.	All modules	R							An adhoc report would be the easiest way to report revisions created by a specific person.
IT 105.00	All location-based information conforms to the GIS standards; all GIS data is indexed by street address, assessor's parcel number or physical location.	All modules	F							Locations do conform to GIS standards. The Peoplesoft solution integrates to all of the main GIS vendors.
IT 106.00	Location indices can be GIS defined.	All modules	F							The County can accomplish this with simple configuration. Typically existing fields can be used for this purpose.
IT 11.00	Ability to generate report files in delimited, ASCII and XML format.	All modules	F							There are multiple output formats for reports.

IT 12.00	Use a Web GUI interface with ability to customize the standard look and feel through common standards CSS or XSL.	All modules						This solution was completely rewritten for the Internet back in 1999. Common standards like the ones mentioned would be used to change the GUI.	This solution was completely rewritten for the Internet back in 1999. Common standards like the ones mentioned would be used to change the GUI.
IT 13.00	Provides staff level edit to ensure validity of the data being entered into the system.	All modules							
IT 14.00	Editable on-line user help to make County-specific changes to help text, graphics.	All modules						The online help, which is placed on every page within the solution, are HTML pages which can be edited with any standard text editor.	The online help, which is placed on every page within the solution, are HTML pages which can be edited with any standard text editor.
IT 15.00	Browser compatibility IE 6 and greater, Firefox.	All modules						Current certified versions for these browsers are IE 6, 7 and Firefox 2.0.	Current certified versions for these browsers are IE 6, 7 and Firefox 2.0.
IT 17.00	Display for user inquiry the related item preceding and/or following the current item on screen, within the flow of a process. (e.g. display previous / display next).	All modules						This is standard functionality. The County can use our online help for this, but our online training tool, User Productivity Kit (UPK), is an additional change.	This is standard functionality. The County can use our online help for this, but our online training tool, User Productivity Kit (UPK), is an additional change.
IT 18.00 IT 2	On-line training and demo module included with application software. Security is required for each application with the ability to restrict levels of access by individual, role to field and function level.	All modules All modules						This is standard functionality with the Proprietary security model. The only exception is it secures down to the page level. Field level security is accomplished with configuration.	This is standard functionality with the Proprietary security model. The only exception is it secures down to the page level. Field level security is accomplished with configuration.

EXHIBIT 6

APPENDIX L – CERTIFICATE OF COMPLIANCE

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

The responses and representations provided on this document only apply to Oracle USA, Inc. and its employees located within the United States who will provide services in accordance with a resulting contract.

1. The chief executive officer of the Contractor's parent company is:

Larry Ellison (Name)

500 Oracle Parkway, Redwood Shores, CA 94065 (Address)

1-800-ORACLE1 (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

Oracle clarifies its response by stating that its Technical Support services (on-call, as needed software support and maintenance) and Advanced Product Support services are incidental to the delivery of its software program licenses. Oracle further states that it is a large company offering support for its software products 24 hours a day, seven days a week. Support is provided from Oracle's support centers located around the world. Oracle's support centers operate according to the normal business hours and laws and regulations of their individual locations.

3. In the past five years, Contractor X has _____ has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

Oracle was cited for one violation by OSHA, issued on January 5, 2007. The citation was reclassified as a level "other" of seriousness. Oracle paid the fine and the abatement of all items has been accomplished within the required amount of time.

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action X has _____ has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

In the past five years, Oracle has been the subject of various routine administrative charges filed by current or former employees alleging potential violation of applicable federal and state laws. There are currently no such federal or state charges pending in the State of New York.

In September of 2004, the U.S. Department of Labor concluded an audit of the Oracle 401(k) Savings Plan. No action was taken by the DOL as a result of this audit; the DOL identified certain areas for remediation under ERISA, as well as the adequacy of the remedial steps taken.

- Contractor agrees to permit access by work sites within Nassau County and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of non-compliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

April 1, 2008
Date



Kevin Curry
Group Vice President, Public Sector

Sworn to before me this

1st day of APRIL, 2008.

 #1533800
Notary Public

MY COMMISSION EXPIRES

DECEMBER 31, 2008



AMENDMENT #1
TO THE
SOFTWARE LICENSE AND SERVICES AGREEMENT
BETWEEN
NASSAU COUNTY, NEW YORK AND ORACLE AMERICA, INC.

THIS AMENDMENT, dated as of October 22, 2014 (together with the schedules, appendices, attachments and exhibits, if any, this "Amendment"), is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the County Department of Information Technology, having its principal office at 240 Old Country Road, Mineola, New York 11501 (the "Department"), and (ii) Oracle America, Inc. (as successor in interest to Oracle USA, Inc.), a Delaware corporation, having its principal office at 500 Oracle Parkway, Redwood Shores, California 94065 (the "Contractor").

WITNESSETH:

WHEREAS, pursuant to County contract number CFIT09000001 between the County and the Contractor, executed on behalf of the County on May 29, 2009 (the "Original Agreement"), the Contractor performs maintenance and support services for the County in connection with the Enterprise Resource Planning ("ERP") software, which services are more fully described in the Original Agreement (the "Services" or "Technical Support Services"); and

WHEREAS, the term of the Original Agreement was from May 29, 2009, until May 28, 2012 (the "Original Term"); and

WHEREAS, the annual cost of maintenance pursuant to the Original Agreement was \$358,458.35;

WHEREAS, the County and the Contractor desire to amend the Original Agreement to extend the Original Term to May 31, 2019, and to amend the Payment terms and add a Maximum Amount; and

WHEREAS, the Services contemplated by this Amendment are personal services within the context and purview of Section 2206 of the County Government Law of Nassau County.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Term Extension of the Original Agreement. The termination date of the Original Agreement shall be extended to May 31, 2019, for the purpose of annual renewal of Technical Support for the ERP software purchased under the Original Agreement, unless sooner terminated as provided for in the Original Agreement.
2. Payment.

(a) Amount of Consideration for Technical Support Services. The maximum amount to be paid to the Contractor as full consideration for the Contractor's Services under this Agreement shall not exceed One Million, Seven Hundred and Twenty-Six Thousand, Two Hundred and Ninety-One Dollars and Seventy-Five Cents (\$1,726,291.75) ("Maximum Amount") payable in accordance with the schedule below. If the County elects to renew the Services, such Services will become effective on June 1st of each year. The annual cost of Services will be capped at 0% for a period of five years and will be paid in accordance with the fee schedule listed below:

Renewal Year	Period of Maintenance	Maintenance Cost	Total Cost of Maintenance
5th	June 1, 2014 - May 31, 2015	\$345,258.35	\$ 345,258.35

If the County elects to renew maintenance:

Renewal Year	Period of Maintenance	Maintenance Cost	Total Cost of Maintenance
6th	June 1, 2015 - May 31, 2016	\$345,258.35	\$ 690,516.70
7th	June 1, 2016 - May 31, 2017	\$345,258.35	\$1,035,775.05
8th	June 1, 2017 - May 31, 2018	\$345,258.35	\$1,381,033.40
9th	June 1, 2018 - May 31, 2019	\$345,258.35	\$1,726,291.75

(b) Encumbrance. The Contractor understands that only Three Hundred and Forty-Five Thousand, Two Hundred and Fifty Eight and Dollars and Thirty-Five Cents (\$345,258.35) is encumbered at this time under this Agreement for Services. The Contractor is cautioned not to perform services that would cause billings to exceed this amount unless additional funds are encumbered pursuant to the Agreement. The County shall not be liable for payment of any amounts which have not been encumbered and approved for this agreement by the County Comptroller.

(c) Payments will be made in accordance with the terms set forth in the Original Agreement. Technical Support will be invoiced quarterly in arrears.

3. Technical Support Policies. The second and third sentences of the first paragraph of Article VI.A of the Original Agreement are deleted and replaced with the following:

Technical Support Policies will not change for each annual period of service, but shall be updated to current policies on an annual basis upon renewal of the Technical Support services for the ERP software purchased under the Original Agreement ; however, Oracle policy changes will not result in a material reduction in the level of services provided for supported programs during the period for which fees for technical support have been paid.

4. Governing Law. Article XVIII. L is deleted and replaced with the following:

This procurement, the resulting contract and any purchase orders issued herewith shall be

governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise, and actions or proceedings shall be heard in a court of competent jurisdiction in Nassau County. Actions or proceedings arising under the Federal supremacy clause shall be heard in United States District Court for the Eastern District of New York.

5. Full Force and Effect. All the terms and conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the Amended Agreement.

The Remainder of this Page Intentionally Left Blank

IN WITNESS WHEREOF, the Contractor and the County have executed this Amendment as of the date first above written.

ORACLE AMERICA, INC.

By: [Signature]

Name: David T. Atkins

Title: Contracts Manager

Date: October 23, 2014

NASSAU COUNTY

By: [Signature]

Name: 2/10/15

Title: Deputy County Executive

Date:

PLEASE EXECUTE IN BLUE INK

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

County of Santa Clara

On Oct. 23, 2014 before me, Celeste Young, Notary Public
(Here insert name and title of the officer)

personally appeared David T. Atkins

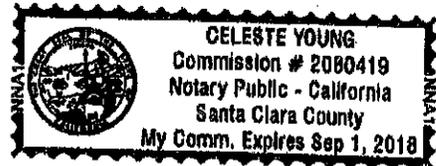
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Celeste Young
Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

<p>DESCRIPTION OF THE ATTACHED DOCUMENT</p> <p><u>Amendment #1</u> <small>(Title or description of attached document)</small></p> <p>_____ <small>(Title or description of attached document continued)</small></p> <p>Number of Pages <u>5</u> Document Date _____</p> <p>_____ <small>(Additional information)</small></p>

<p>CAPACITY CLAIMED BY THE SIGNER</p> <p><input checked="" type="checkbox"/> Individual <u>(s)</u></p> <p><input type="checkbox"/> Corporate Officer</p> <p>_____ <small>(Title)</small></p> <p><input type="checkbox"/> Partner(s)</p> <p><input type="checkbox"/> Attorney-in-Fact</p> <p><input type="checkbox"/> Trustee(s)</p> <p><input type="checkbox"/> Other _____</p>
--

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary)
- Securely attach this document to the signed document

STATE OF CALIFORNIA)

) ss.:

COUNTY OF SAN CLARA)

On the _____ day of _____ in the year _____ before me personally came _____ to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of _____; that he or she is the _____ of _____, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

NOTARY PUBLIC *see attached.*

STATE OF NEW YORK)

) ss.:

COUNTY OF NASSAU)

On the 10 day of February in the year 2015 before me personally came Richard R. Walker to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Nassau; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

Concetta A. Petrucci
NOTARY PUBLIC

CONCETTA A. PETRUCCI
Notary Public, State of New York
No. 01756259026
Qualified in Nassau County
Commission Expires April 02, 2016

**SOFTWARE LICENSE AND SERVICES AGREEMENT 2008
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

May _____, 2009

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VIII	COMPENSATION / PAYMENTS / INVOICES
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XIV	TERMINATION
XV	FORCE MAJEURE
XVI	AUDIT OF SOFTWARE USAGE
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EXHIBIT 4	TRAINING: Rates
EXHIBIT 5	FUNCTIONALITY AND REQUIREMENTS MATRIX
EXHIBIT 6	LIVING WAGE LAW CERTIFICATION
APPENDIX A	STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**SOFTWARE LICENSE AND SERVICES AGREEMENT
BETWEEN
NASSAU COUNTY, NEW YORK
AND
ORACLE USA, INC.**

THIS SOFTWARE LICENSE AND SERVICES AGREEMENT (hereinafter "Agreement") is entered into between Nassau County, New York (hereinafter, "Nassau") whose address is 160 Old County Road, Mineola, New York, 11501, and Oracle USA, Inc. (hereinafter "Oracle"), a Colorado corporation whose main office and principal place of business is 500 Oracle Parkway, Redwood Shores, California 94065 and is effective as of the date set forth with the final signature below (the effective date). Orders may be placed under this Agreement for up to three (3) years after its effective date or as otherwise extended by amendment.

WITNESSETH:

WHEREAS, Nassau has determined that its current and future administrative systems needs require that its current aging and diverse systems be replaced; and

WHEREAS, Nassau has determined that the upgrade and replacement of its administrative systems requires the acquisition of a new commercial off-the-shelf integrated information system using Enterprise Resource Planning (hereinafter "ERP") software, and the retention of related services for such software; and

WHEREAS, Nassau issued a Request for Proposal seeking such software and services and thereafter supplemented this with a Request for Clarification, (collectively, the "RFP"); and

WHEREAS, Oracle submitted a proposal, Clarifications, and Best and Final Offers in response to the RFP (hereinafter "Proposal"); and

WHEREAS, based upon the competitive solicitation and evaluation of proposals for the provision of the ERP Software and for the performance of the Services (as hereinafter defined), Nassau has determined that Oracle possesses the qualifications necessary to provide such Software and Services; and that the Proposal offers the best value to Nassau from among the competing proposals received by Nassau, and that Nassau awards this Agreement to Oracle on the basis of the merits of the Proposal; and

WHEREAS, Nassau desires to retain Oracle to provide the Software and Services as set forth hereinafter, and Oracle agrees to provide such Software and perform such Services;

NOW, THEREFORE, in consideration of the terms and the mutual covenants and obligations of the parties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

I. DEFINITIONS

Advanced Customer Services: On-site services, set forth in Exhibit 3, that Nassau may purchase from Oracle under this Agreement.

Agreement: The writing(s) which contain the agreement of Nassau and Oracle setting forth the total legal obligation between the parties as determined by applicable rules of law.

Ancillary Programs: Third party materials specified in the Documentation, which may only be used for the purposes of installing or operating the programs with which the Ancillary Programs are delivered.

Documentation or Program Documentation: Program user manual(s) and Program Installation manual(s) for the Software.

Emergency: An urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk.

Enterprise License: A license grant that permits a defined entity (the "Enterprise") to use the acquired the Software across its Enterprise, where the numerical limits of the license is calculated by reference to its employee count or its operating budget or other agreed upon metric. The specific terms of the Enterprise License are set forth in the Ordering Document.

Error Corrections: Machine executable software code furnished by Oracle which corrects the Software so as to conform to the applicable Documentation of Oracle.

Incremental Licenses: An increase in the number of licenses for Software previously acquired by Nassau. Such Incremental License purchases are accepted upon delivery.

License Effective Date: The date Software is delivered to Nassau. Where a License involves Software which was previously licensed by Nassau, the License Effective Date for the additional licenses shall be deemed to be the date on which the Purchase Order is executed.

Material: Any information, design, specification, instruction, Software, data, or material furnished by Oracle and used by Nassau.

Ordering Document: The Oracle form, signed by both parties, that sets forth the Software and/or Services to be purchased, Software metrics, prices, discounts, and specific terms relevant to the purchase.

New Software Releases (Software Revisions): Any commercially released revisions to the licensed version of the Software as may be generally offered and available to Nassau, if current on technical support. New releases involve a substantial revision of functionality from a previously released version of the Software. Updates are provided when available, and Oracle is under no obligation to develop any future Software or functionality.

Proprietary: Created and / or owned by Oracle, which may be protected by confidentiality, secrecy, patent, copyright or trademark against commercial competition.

Purchase Order: Nassau's fiscal form or format that is used when making a purchase (e.g., formal written Purchase Order, electronic Purchase Order, or other authorized instrument).

Services: Technical support (also referred to as "Maintenance"), training, or Advanced Customer Services that Nassau purchases under this Agreement.

Site: The location (street address) where the Software will be used or Services delivered.

Software or Programs: Software acquired under the terms and conditions set forth in the Agreement. "Software" or "Programs" includes error corrections, upgrades, enhancements, new releases, and updates delivered to Oracle's current subscribers under Technical Support or Maintenance.

Source Code: The programming statements or instructions written and expressed in any language understandable by a human being skilled in the art which are translated by a language compiler to produce executable machine Object Code.

Supported Program License: Programs for which Oracle offers Technical Support.

Technical Support or Maintenance: Technical support services for the Software that are offered by Oracle under this Agreement.

Training: The services provided by Oracle University, as set forth in Exhibit 4.

II. SOFTWARE

Oracle shall provide the Programs in accordance with the following terms and conditions.

- A. License Scope:** Following delivery of the Software, Nassau is granted a non-exclusive, non-assignable, royalty free, perpetual, limited right to use the Software ordered for its governmental and business operations subject to the terms of this Agreement, including the license definitions and rules and Documentation. For Software that is specifically designed to allow a third party to interact with Nassau in furtherance of Nassau's governmental or business operations, such use is allowed under this Agreement. Nassau may make a sufficient number of copies of the Software for its licensed use and one copy of each software media.
- B. Documentation:** Documentation is delivered with the Software or Nassau may access the Documentation online at <http://oracle.com/contracts>. Oracle hereby grants to Nassau a perpetual license right to make, reproduce and distribute, either electronically or otherwise, copies of Documentation in accordance with the terms of

the license, and the Documentation fully describes the proper procedure for using the Software.

C. Permitted License Transfers: Upon prior written notice to Oracle, the following license transfers are permitted under this Agreement, at no cost to Nassau, unless the license type specifically prohibits such a transfer:

1. Nassau may transfer Software internally within its own entity;
2. If Nassau is subject to a governmental reorganization or otherwise mandated by its governing body to convey any of its specific functions to another governmental entity, the Software used to support the conveyed functions may be transferred to the entity acquiring the transferred functions. The transferor must discontinue its use of the transferred Software.
3. If Nassau merges with another governmental entity, the Software acquired may be used by the merged entity.

Nothing in this section shall be deemed to relieve Nassau or the transferee entity of the obligation to use the Software in accordance with the terms and conditions of this Agreement and all applicable Ordering Documents placed hereunder, including, without limitation, limiting usage of the Software to the quantity and license type for which such software is licensed.

D. Restricted Use By Outsourcers / Facilities Management, Service Bureaus / or Other Third Parties: Outsourcers, facilities management, consultants and agents (collectively, "Agents") retained by Nassau shall have the limited right to use the Software to maintain Nassau's internal business operations subject to the terms of this Agreement, including data processing, for the time period that they are engaged in such activities, provided that Nassau is responsible for the compliance of its Agents with the terms and conditions of this Agreement and their use of the Software.

E. Archival Back-Up and Disaster Recovery Nassau shall be entitled to use and copy the Software and related Documentation for archival backup and disaster recovery and shall have the rights under "Cold", "Warm" or "Hot" Backup, as defined below, to initiate disaster recovery on such backup systems testing up to four times annually, up to two day per testing, at no charge other as set forth below:

1. "Cold Backup" is a backup copy of the Software, which is retained on Oracle's software media only. In the event of failure of a primary machine, Nassau may download the Software from Oracle's website or it may use the software media to load Oracle's Software on a second machine of Nassau of the same hardware/operating system combination. There is no additional fee for maintaining a Cold Backup.
2. "Warm Backup" is a backup copy of the Software, which is loaded on a machine, which is accessed for the processing of data and/or applications only in the event of a failure of the primary machine. In the event of a failure of the primary machine, the secondary machine is accessed and used to run the Software. There is no additional fee for maintaining a Warm Backup.

3. "Hot Backup" is a copy of the Software, which is loaded on a machine and operated simultaneously with the primary machine. No processing of data or applications takes place on the backup machine. In the event of a failure of the primary machine, all processing is switched to the backup machine in real time. The fee for a Hot Backup is 25% of the contract price of the primary license and/or technical support.

F. Confidentiality Restrictions: The Software is a trade secret, copyrighted and proprietary product of Oracle. Nassau and its employees will keep the Software strictly confidential, and Nassau will not disclose or otherwise distribute or reproduce any Software to anyone other than as authorized under the terms of Agreement. Nassau will not remove or destroy any proprietary markings or notice of Oracle's or its licensors' proprietary rights. Oracle or its licensors retain all ownership and intellectual property rights to the Software.

G. Restricted Use by Nassau: Except as expressly authorized by the terms of this Agreement, Nassau shall not:

1. Copy the Software;
2. Cause or permit reverse engineering (unless required by law for interoperability), disassembly or decompilation of the Software (the foregoing prohibition includes but is not limited to review of data structures or similar materials produced by the Software);
3. Make the Software or Materials resulting from Services available in any manner to any third party for use in the third party's business operations (unless such access is expressly permitted for the specific software license or Materials from the services acquired);
4. Export the Software in violation of any U.S. Department of Commerce export administration regulations;
5. Release benchmarking results: unless required by law or compelled by court order or subpoena, Nassau shall not disclose to third parties not authorized by it to implement or maintain its systems, results of any Software benchmark test without Oracle's prior written consent. The foregoing restriction shall not apply to benchmark results of non-Oracle software which accessed the Software or to benchmark results of an overall system, provided such results: (a) are released only as the benchmark results of such non-Oracle software or of the total system and (b) do not make any reference to Oracle Software. Nassau shall notify Oracle of requests for the release of benchmarking results under the New York State Freedom of Information Law (FOIL) or applications for court orders or subpoenas and give Oracle an opportunity to oppose disclosure.

H. Open Source Software: Open source software is developed independently of Oracle and may be governed by a separate license ("open source software"). If the open source software is governed by a separate license, Oracle shall provide a copy of that license in the applicable Documentation and Nassau's license rights and obligations with respect to that open source software shall be defined by those separate license terms and subject to the conditions, if any, therein. Nothing in this Agreement shall restrict, limit, or otherwise affect any rights or obligations Nassau

may have, or conditions to which Nassau may be subject, under such separate open source license terms.

III. SOFTWARE DELIVERY

Oracle has made available to Nassau for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com>. Through the Internet URL, Nassau can access and electronically download the Software and related Documentation. Provided that Nassau has continuously maintained technical support for the Software, Nassau may continue to download the software and related Documentation. Please be advised that not all programs are available on all hardware / operating system combinations. For current program availability please check the electronic delivery web site. Nassau acknowledges that Oracle's delivery obligation under this Agreement is met by the provision of the electronic delivery web site URL. Provided Nassau continuously maintains Technical Support, CD Packs for the Software provided under the Ordering Document may be ordered through the Oracle Store independent of this Agreement. If Nassau loses or damages the media containing a Program licensed here under, upon Nassau's written notice Oracle will provide a replacement copy thereof, for a media and shipping charge. The following shipping terms shall apply: FCA Shipping Point, Prepaid, and Add. These terms shall also apply to any options exercised by Nassau. Unless otherwise agreed to by Nassau and Oracle, Nassau shall be responsible for installation of the Software.

Nassau acknowledges that, unless otherwise provided for in this Agreement, it accepts sole responsibility for (i) its system configuration, design and requirements, (ii) the selection of the Programs to achieve its intended results, and (iii) modifications, changes or alterations to the Programs.

IV. SOFTWARE ACCEPTANCE

A. Unless otherwise provided by mutual agreement of Nassau and Oracle, Nassau shall have sixty (60) days from the date of delivery to accept all Software. Where Oracle is responsible for installation, acceptance shall be from completion of installation. Failure to provide notice of acceptance or rejection to Oracle by the end of the period provided for under this clause constitutes acceptance by Nassau as of the expiration of that period. Nassau may, in writing, waive the Acceptance Period, or any part thereof, at any time.

If Nassau rejects the Software, it shall (a) cease using the applicable Software, and (b) certify to Oracle that it has destroyed or has returned to Oracle the Software, Documentation and all copies. This requirement applies to copies in all forms, partial and complete, in all types of media and computer memory, and whether or not modified or merged into other materials.

Oracle may offer Nassau a free trial of the Software pursuant to (B) immediately below. If Nassau accepts such free trial license for the Software, the length of the trial shall count toward the sixty (60) day acceptance period and such trial license will grant to Nassau the right to examine the Software for at least sixty (60) days (unless the parties thereto agree otherwise). Upon the expiration of such period,

Nassau must either issue a Purchase Order to Oracle for purchase of the Software or portions thereof in accordance with this Agreement, or forthwith discontinue all use and return the Software to Oracle. Nassau shall be deemed to have tested the Software to its satisfaction and accepted the Software upon its issuance of the Purchase Order.

If any agreed trial license period is less than sixty (60) days, then in addition to the trial license period, Nassau shall have the number of days to accept the Software that is the difference between sixty (60) days and the length of the agreed trial license, provided Nassau notifies Oracle in writing of its intention to use such acceptance period at the time Nassau issues its Purchase Order. Notwithstanding the foregoing, this provision does not apply to purchases which merely increase the number of licenses for software previously acquired by Nassau ("incremental licenses"). Such incremental license purchases are accepted upon delivery.

- B. Trial Software.** Nassau may order trial Software, or Oracle may include additional trial Software with the order which Nassau may use for trial, non-production purposes only. Nassau may not use the trial Software to provide or attend third party training on the content and/or functionality of the Software. Nassau has sixty (60) days from delivery to evaluate such trial Software. If it decides to use any of this trial Software after the sixty (60) day trial period, Nassau must obtain a license for such trial Software from Oracle. If it decides not to obtain a license for the trial Software after the sixty (60) day trial period, Nassau will cease using and will delete any such trial Software from its computer systems. Software licensed for trial purposes is provided "as is" and Oracle does not provide technical support or offer any warranties for these programs.

V. SERVICES

- A. Nassau may acquire Technical Support (maintenance), Advanced Customer Services, and Training, under this Agreement. The rates for the purchase of Advanced Customer Services and Training are set forth in Exhibits 3 and 4, respectively. The terms for the purchase of Technical Support are set forth in the Article immediately below and in the Technical Support policies attached as Exhibit 1.**
- B. Upon payment for Services, Nassau will have a perpetual, non-exclusive, non-assignable, royalty free license to use for its internal business operations, anything developed by Oracle and delivered to Nassau. Nassau may allow its agents and contractors to use the deliverables for such purpose and Nassau is responsible for their compliance with this Agreement and the Ordering Document. Oracle retains ownership and all intellectual property rights to anything developed by it and delivered by it under the applicable Ordering Document resulting from the Services, except as stated in (C) immediately below.**
- C. Advanced Customer Services ("ACS").** The only consulting services offered by Oracle under this Agreement are Advanced Customer Services ("ACS"). Oracle states that no development or customization work can be provided pursuant to the performance of the ACS.

To the extent that Oracle may produce incidental deliverables in the performance of ACS and following payment of all fees for the applicable ACS order: (a) the allocation of ownership and license rights to such incidental deliverables shall be the Joint Property (as defined below) of both Oracle and Nassau; and (b) Oracle grants to Nassau a non-exclusive, non-assignable, royalty free, perpetual, internal-use license to use Oracle Works (as defined below) that are embodied in the Joint Property.

1. "Incidental Deliverables" shall mean those deliverables developed by Oracle solely for Nassau in the performance of the applicable Ordering Document, except for any Oracle Works (as defined below).
2. "Oracle Works" shall mean: (a) anything provided by or on behalf of Oracle from a repository; (b) any software code generated by computer aided software engineering (CASE) tools; (c) any tools, interfaces, and utilities developed by or on behalf of Oracle; and (d) any derivative works of (a), (b), or (c) above. Nothing in this section shall be construed to grant, amend, or modify any license for any Software or Documentation owned or distributed by Oracle.
3. "Joint Property" shall mean the Incidental Deliverables which are those deliverables developed using ACS and shall be owned jointly by Oracle and Nassau; Joint Property does not include any Oracle Works (as defined above). Oracle and Nassau agree that each party jointly shall own the copyright interest in the Joint Property and that each party may freely use, share, license or sub-license the Joint Property without requiring the approval of the other party, and shall have no duty of accounting to the other party for use of the Joint Property.

Oracle retains all right, title and interest, including all copyrights, in any Oracle Works and Software. Any property or material furnished by Nassau to Oracle hereunder is and will remain the property of Nassau.

- D. At Nassau's request, Oracle shall provide Nassau with the resumes of all Oracle's employees, consultants, and subcontractors who shall perform Services at Nassau's site under this Agreement. Nassau shall have the right to conduct interviews, unless otherwise agreed to by the parties, of all such employees, consultants, or subcontractors provided such interview occurs before the commencement of Services by the relevant employees, consultants or subcontractors. Nassau shall have the right to reject assignment of any Oracle employee, consultant, or subcontractor to a particular Service by providing Oracle a reasonable and non-discriminatory basis for such rejection. This paragraph shall not apply to the provision of Technical Support Services.
- E. The Services provided under this Agreement may be related to Nassau's license to use Programs which it acquires under a separate order. The Agreement referenced in that order shall govern Nassau's use of such Programs. Any Services acquired from Oracle are bid separately from such Program licenses, and Nassau may acquire either Services or such Program licenses without acquiring the other.

VI. TECHNICAL SUPPORT & MAINTENANCE

- A. Technical Support consists of annual technical support services ordered by Nassau for the Software. Payment shall be due quarterly in arrears or as otherwise agreed to by the parties. If ordered, annual Technical Support (including first year and all subsequent years) is provided under Oracle's Technical Support Policies that are attached to this Agreement at the time the Services are ordered. The Technical Support Policies shall be updated annually by amendment to this Agreement. Nassau should review the Technical Support Policies prior to ordering the applicable services.**

Technical support is effective upon the effective date of the Ordering Document unless otherwise stated therein. The effective date of an order is when the Ordering Document is fully signed and Oracle receives the Purchase Order; provided however, if the order is subject to an acceptance period, the effective date will be upon acceptance.

The Technical Support service level, which may also be referred to as Software Update License & Support, (or any successor technical support offering to Software Update License & Support, "SULS") acquired with Nassau's order may be renewed annually and, if Nassau renews SULS for the same number of licenses for the same Software, Nassau will be entitled to receive the caps on fee increases which are set forth in Exhibit 1.

If Nassau decides to purchase Technical Support for any Software within a license set, Nassau is required to purchase Technical Support at the same level for all Software within that license set. Nassau may desupport a subset of Software in a license set only if there is also agreement to terminate that subset of licenses. The Technical Support fees for the remaining licenses will be priced in accordance with the Technical Support Policies in effect at the time of termination. The applicable discount to be used in the event of support re-pricing is set forth in Exhibit 2. Oracle's license set definition is available in the Technical Support Policies. If Nassau decides not to purchase Technical Support, Nassau may not update any unsupported Software with new versions of the Software.

Technical Support term(s) and any renewal(s) thereof are independent of the expiration of this Agreement and will not automatically renew. Nassau may discontinue Technical Support at the end of any current Technical Support term. In the event that Nassau discontinues Technical Support of Software, it may, at any time thereafter, reinstate Technical Support for the Software without any additional penalties or other charges, by paying Oracle the amount which would have been due under the order for the period of time that such Technical Support had lapsed.

- B. Oracle's Technical Support offering, entitled "Lifetime Support", is comprised of the following:**
- 1. Premier Support:** Premier Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; major product and technology releases, access to Oracle's Customer Service Website, and certification with new third-party products/versions.

2. **Extended Support:** Oracle may grant Nassau the right to acquire an additional three years of Extended Support. Extended Support provides updates, fixes and security alerts; tax, legal, and regulatory updates; upgrade scripts; technical support; access to its Customer Service Website; and major product and technology releases. Extended Support does not include certification with new third-party products/versions.
3. **Sustaining Support:** As an alternative to Extended Support, Oracle grants Nassau the right to acquire Sustaining Support for as long as it licenses the Software. Sustaining Support provides access to Oracle's Customer Service Support Website, pre-existing fixes, and major product and technology releases. Sustaining Support does not include Updates, fixes, and security alerts; Tax, legal, and regulatory updates; Certification with new third-party products/versions; and Certification with other Oracle products.

Additional information about Oracle's Lifetime Support offering may be found in the Technical Support Policies, attached as Exhibit 1.

C. Successor Products and Re-Named Programs.

1. **Successor Products.** If Oracle makes successor products available for Oracle's product lines ("New Software") that includes substantially similar functionality and features as a Program for which Nassau has purchased a Program License ("Old Software"), Oracle will provide Nassau with a migration path from the Old Software to the New Software and the right to use the New Software under this Agreement at no additional charge, provided that (i) Nassau is current on Technical Support for the Old Software; (ii) this right shall only apply to New Software that is available in production release status on the operating system identified by Nassau at the time of the request; and (iii) Oracle is currently making available, such migration path from the Old Software to the New Software to all of its other supported customers without additional charge.

If Oracle does not provide to all of its supported customers a migration path from the Old Software to the New Software free of additional charge, then Oracle will provide Nassau with the right to use only the functionality and features contained in the New Software that is substantially similar to the functionality and features contained in the Old Software. Nassau shall not have the right to use nor shall it use any additional functionality or features in such New Software. All use of New Software shall otherwise be subject to this Agreement.

2. **Re-Named Programs.** If any Program licensed under this Agreement ("Original Program") is re-named or divided into two or more separate Programs ("Re-Named Program") and the functionality of the Re-Named Program is and remains the same as the functionality of the Original Program, and Oracle makes such Re-Named Program generally available at no additional license fees to all of its customers who have maintained Technical Support for the Original Program, then Oracle shall provide the Re-Named Program to Nassau for no additional license fees, provided that the Re-Named Program is available in production release and that Nassau is current on Technical Support for the Original Program pursuant to Oracle's Technical

Support Policies (or reinstated Technical Support for such Program pursuant to Oracle's then current Technical Support Policies).

In the event that Oracle offers successor or renamed programs, as referenced above, Oracle will notify Nassau of the affected Software to the same extent and in the same manner that it provides notification to its other supported customers of the affected Software. The parties acknowledge that Oracle offers Lifetime Support for many of its Programs; if Lifetime Support is offered for a Program, such Program is not deemed to be discontinued under the meaning of this section.

VII. SOURCE CODE

Oracle shall retain in escrow a copy of the source code necessary to support the Software (not including any Software for which source code is delivered with such Software). The escrowed material shall be maintained under an agreement which provides that if Oracle ceases to be in the business of supporting the Software, the escrow agent shall furnish Nassau with a copy of the escrowed material that has become unsupported. Nassau shall pay the escrow agent a nominal fee sufficient to cover the cost of reproduction and distribution of source materials, including reasonable administrative expenses thereto. Any escrowed material furnished under this provision shall be considered licensed subject to the terms of this Agreement and shall be used solely to maintain the Software. If Oracle replaces Iron Mountain Intellectual Property Management with a substitute escrow agent, Nassau will receive notice of the name and address of the substitute agent.

VIII. COMPENSATION / PAYMENTS / INVOICES

- A. Upon acceptance of Software or as otherwise provided by Agreement, Oracle may invoice for payment. The required payment date shall be thirty (30) calendar days, excluding legal holidays, from the receipt and approval by the County Comptroller of a proper invoice and County Claim Voucher, in accordance with paragraph B.
- B. All payment Invoices shall include, at a minimum, the following terms:
1. Delivery on official form of Oracle;
 2. Name, Address and Remittance Address of Oracle if different from that contained in the introductory paragraph of this Agreement;
 3. Agreement Number;
 4. An executed County Claim Voucher detailing of the Programs or Services for which Oracle requests payment;
 5. Total amount to be invoiced.
- C. Oracle shall submit all payment Invoices to the designated payment office for this Agreement, which shall be, unless Oracle receives written notification to the contrary, the address listed in the first paragraph of this Agreement.
- D. The fees due under an Ordering Document signed by Nassau and Oracle shall be non-cancelable and the sums paid nonrefundable, except as expressly provided therein or in this Agreement.
- E. Nassau's signature on an Ordering Document referencing this Agreement and Nassau's issuance of a purchase order are its representations to Oracle

that the purchase has been fully authorized and that all funds for the purchase have been fully appropriated.

- F. Nassau agrees that it has not relied on the future availability of any Programs or Updates in entering into the payment obligations arising under this Agreement; however, (a) if Nassau orders SULS for programs, the preceding sentence does not relieve Oracle of its obligation to provide Updates under this Agreement or the relevant Ordering Document, if-and-when available, in accordance with Oracle's then current Technical Support Policies, and (b) the preceding sentence does not change the rights granted to Nassau for any program licensed under this Agreement or the relevant Ordering Document, per the terms of this Agreement and/or the Ordering Document.
- G. Submission of an invoice and payment thereof shall not preclude Nassau from reimbursement or demanding a price adjustment where the billing was inaccurate. Oracle shall provide, upon request of Nassau, the information reasonably necessary to verify the accuracy of the billings. Such information shall be provided in the format reasonably requested by Nassau and in a media commercially available from Oracle.
- H. If Nassau is exempt from sales tax, Oracle will not invoice it for applicable sales tax provided a copy of a valid sales tax certificate of exemption is provided to Oracle on or before the effective date of this Agreement. Also, Nassau will reimburse Oracle for reasonable expenses related to providing the Services. Fees for Services listed in an Ordering Document are exclusive of taxes and expenses.

IX. WARRANTY

- A. **Title and Ownership Warranty.** Oracle warrants that it possesses (i) full ownership, clear title free of all liens, or (ii) the right to transfer or deliver perpetual or term license rights to the Software. Oracle shall be solely liable for its costs of acquisition of such ownership rights and/or clear title. Notwithstanding any language to the contrary in this Agreement, Article X(A), *Intellectual Property Infringement Indemnification*, of this Agreement states Nassau's exclusive remedy and Oracle's entire liability for any breach of this particular warranty.
- B. **Software Warranty.** Software offered shall be a current production release. Oracle warrants that the Software will perform in all material respects as described in the Documentation for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Program warranty deficiency within eighteen (18) months after acceptance.

For Nassau's initial purchase of Software under this Agreement only, Oracle also warrants that the Software will perform in all material respects in accordance with Oracle's response to the functional and technical requirements attached as Exhibit 5 for eighteen (18) months from the date of acceptance. Nassau must notify Oracle of any Software warranty deficiency under this paragraph within eighteen (18) months year after acceptance of the initial purchase of the Software.

- C. **Virus Warranty.** Oracle represents and warrants that prior to delivery Oracle shall use commercially reasonable methods to test and protect the Software against viruses and other harmful elements designed to disrupt the orderly operation of, or impair the integrity of data files resident on, any data processing system. Oracle represents and warrants that it will not deliver Software that contains any known virus. Oracle will also maintain a master copy of the appropriate versions of the Software, free of viruses. If Nassau believes a virus may be present in the delivered Software, then upon its request, Oracle will provide a master copy to Nassau for comparison with and correction of its copy of the Software.
- D. **Date/Time Warranty.** Oracle represents that during the term of this Agreement, including any extension or renewal hereof, the Software shall, when used in accordance with the Program Documentation, be able to accurately process (including, but not limited to, calculating, comparing, and sequencing) date/time data transitions, including leap year and daylight savings time calculations.
- E. **Services Warranty.** Oracle warrants that the Services will be provided in a professional manner in accordance with industry standards. Nassau must notify Oracle of any Services warranty deficiencies within ninety (90) days from performance of the Service that gave rise to the warranty claim.
- F. **Survival of Warranties.** All warranties contained in this Agreement, which have not expired by their terms, shall survive the termination of this Agreement.
- G. **NO IMPLIED WARRANTIES.**
TO THE EXTENT PERMITTED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- H. Oracle does not warrant or guarantee that the Software will be error free or operate without interruption or that Oracle will correct all Software errors. Oracle is not obliged to develop error corrections or updates for Nassau's benefit but, in the event such corrections or updates are made generally commercially available by Oracle at no additional charge, Oracle shall provide them to Nassau at no additional charge. Nassau acknowledges that the Software has not been prepared to meet its individual requirements; it is Nassau's responsibility to ensure that the facilities and functions described in its specification meet its requirements, and Nassau is solely responsible for results obtained from its use of the Software.
- I. **EXCLUSIVE REMEDIES.** FOR ANY BREACH OF THE WARRANTIES IN B, D AND E ABOVE, NASSAU'S EXCLUSIVE WARRANTY REMEDY, AND ORACLE'S ENTIRE WARRANTY LIABILITY, SHALL BE: (A) THE CORRECTION OF SOFTWARE ERRORS THAT CAUSE BREACH OF THE WARRANTY, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT SUCH BREACH IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END ITS SOFTWARE LICENSE AND RECOVER THE FEES PAID TO ORACLE FOR THE SOFTWARE LICENSE; OR (B) THE REPERFORMANCE OF THE DEFICIENT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH

IN A COMMERCIALY REASONABLE TIME AND MANNER, NASSAU MAY END THE RELEVANT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT SERVICES.

X. INDEMNIFICATION AND LIABILITY

- A. Intellectual Property Infringement Indemnification.** Oracle will also indemnify and hold Nassau harmless from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs that may be finally assessed against Nassau in any action for infringement of a United States Letter Patent, or of any copyright, trademark, trade secret or other third party proprietary right based upon Materials provided to Nassau by Oracle and except to the extent such claims arise from Nassau's negligence or willful misconduct, provided that Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, no later than 30 days after it receives notice of the claim (or sooner if required by law) (ii) sole control to settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. Nassau reserves the right to join such action, at its sole expense, when it determines there is an issue involving a significant public interest.

If usage shall be enjoined for any reason or if Oracle believes that it may be enjoined, Oracle shall have the right, at its own expense and sole discretion: (i) to procure for Nassau the right to continue Usage (ii) to modify the material so that usage becomes non-infringing, while preserving its utility or functionality, or if these alternatives are not commercially reasonable, Oracle may terminate the license for, and require return of, the Material and refund any fees Nassau may have paid for it. Oracle will not indemnify Nassau if it alters the Material or uses it outside the scope of use identified in the Documentation or if Nassau uses a version of the Materials which has been superseded, to the extent the infringement claim could have been avoided by using an unaltered current version of the Material which was provided to Nassau and Nassau either has actual knowledge or is notified by Oracle to use such version due to a potential or existing infringement claim; any such notice will be in writing or, for any software licensed under this Agreement, may be posted at Oracle's customer support web site or included with a software update. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon any information, design, specification, instruction, software, data, or material not furnished by Oracle. Oracle will not indemnify Nassau to the extent that an infringement claim is based upon the combination of any Material with any products or services not provided by Oracle except where such combinations are expressly specified by Oracle in the Documentation. Oracle will not indemnify Nassau for infringement caused by its actions against any third party if the Program(s) as delivered to Nassau and used in accordance with the terms of this Agreement would not otherwise infringe any third party intellectual property rights.

In the event that an action at law or in equity is commenced against Nassau arising out of a claim that Nassau's use of the Material under the Agreement infringes any patent, copyright or proprietary right, and Oracle is of the opinion that the allegations in such action in whole or in part are not covered by the indemnification and defense

provisions set forth in the Agreement, Oracle shall promptly notify Nassau in writing and shall specify to what extent Oracle believes it is obligated to defend and indemnify under the terms and conditions of the Agreement. Oracle shall in such event attempt to secure a continuance to permit Nassau to appear and defend its interests in cooperation with Oracle, as is appropriate, including any jurisdictional defenses Nassau may have. This Article X(A) constitutes Nassau's sole and exclusive remedy for any infringement claims or damages.

B. Personal Injury / Property Damage Indemnification. Oracle shall be fully liable for any act or omission of Oracle, its employees, Subcontractors and agents, and shall fully indemnify and hold harmless Nassau from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or tangible personal property caused by fault or negligence of Oracle, its employees, Subcontractors or agents arising from Oracle's performance of this Agreement, **without limitation**; provided, however, that Oracle shall not be obligated to indemnify Nassau for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of Nassau or the acts of third parties, other than those provided by Oracle to perform under the Agreement. In connection with the foregoing, Nassau shall give Oracle: (i) prompt written notice of any action, claim or threat of suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Oracle's sole expense, and (iii) assistance in the defense of any such action at the expense of Oracle. This paragraph does not apply to any claims arising from damage to "intangible personal property," which includes documentation, software, data or data files that are in electronic format.

C. Limitation on Liability. EXCEPT AS OTHERWISE SET FORTH IN THE INDEMNIFICATION PARAGRAPHS ABOVE, THE LIMIT OF LIABILITY SHALL BE AS FOLLOWS:

- 1. ORACLE'S LIABILITY FOR ANY DAMAGES ARISING OUT OF, OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL IN NO CASE EXCEED DIRECT DAMAGES IN: (I) AN AMOUNT EQUAL TO TWO (2) TIMES THE CHARGES SPECIFIED IN THE PURCHASE ORDER FOR THE SOFTWARE AND SERVICES, OR PARTS THEREOF FORMING THE BASIS OF NASSAU'S CLAIM, (SAID AMOUNT NOT TO EXCEED A TOTAL OF TWELVE (12) MONTHS CHARGES PAYABLE UNDER THE APPLICABLE PURCHASE ORDER) OR (II) ONE MILLION DOLLARS (\$1,000,000), WHICHEVER IS GREATER. NOTWITHSTANDING THE LIMITATION IN THE FIRST SENTENCE OF THIS PARAGRAPH (1), ORACLE'S LIABILITY TO NASSAU FOR DAMAGES RESULTING FROM THE WRONGFUL DISCLOSURE OF PERSONAL DATA BY ORACLE IN ITS PERFORMANCE OF TECHNICAL SUPPORT SERVICES IN BREACH OF ORACLE'S OBLIGATIONS UNDER ARTICLE XI(D) (CONFIDENTIALITY AND NON-DISCLOSURE) SHALL NOT EXCEED THE GREATER OF: (A) \$1,000,000 OR (B) TWO TIMES THE FEES PAID BY NASSAU UNDER THIS AGREEMENT FOR TECHNICAL SUPPORT WITHIN THE TWO (2) YEARS IMMEDIATELY PRECEDING THE ACTION THAT GAVE RISE TO THE BREACH.**

2. NOTWITHSTANDING THE ABOVE, NEITHER ORACLE OR NASSAU SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE OR LOSS OF PROFIT BY NASSAU, ORACLE, OR BY OTHERS.

XI. CONFIDENTIALITY AND NON-DISCLOSURE

A. As used in this Section, "Disclosing Party" means Nassau when disclosing its Confidential Information (defined below) to Oracle, or Oracle when disclosing its Confidential Information to Nassau, and "Receiving Party" means Nassau when receiving disclosure of Confidential Information from Oracle, or Oracle when receiving disclosure of Confidential Information from Nassau. "Confidential Information" means all confidential information disclosed by a party (the "Disclosing Party") to the other party (the "Receiving Party") after the effective date of this Agreement including, without limitation, information relating to the Disclosing Party's operations, processes, plans or intentions, know-how, design rights, trade secrets or business affairs. Confidential Information shall be clearly marked as "confidential," "proprietary," "restricted" or some similar designation. Except as provided in this Agreement and specifically in Article XI(B) hereunder, the Receiving Party further agrees that any Confidential Information obtained by the Receiving Party from the Disclosing Party, its agents, subcontractors, officers, or employees in the course of performing its obligations, including without limitation, security procedures, business operations information, or commercial proprietary information in the possession of the Disclosing Party hereunder, will not be divulged to any third parties. Nassau acknowledges that the Source Code to the Software and the Documentation are Confidential Information of Oracle.

B. The Receiving Party:

- 1. may not use any Confidential Information for any purpose other than in accordance with, and in the performance of, its obligations under this Agreement;**
- 2. may not disclose any Confidential Information to any person except with the prior written consent of the Disclosing Party or in accordance with Section C; and**
- 3. shall make every reasonable effort to prevent the use or disclosure, other than as expressly permitted herein, of Confidential Information.**

C. The Receiving Party may disclose information, which would otherwise be Confidential Information if and to the extent that:

- 1. it is required by law (such as the New York State Freedom of Information Law);**
- 2. the information has come into the public domain, otherwise than through (a) a breach of this Clause by the Receiving Party, (b) a third party's breach of any duty of confidentiality owed to the Disclosing Party of which the Receiving Party was aware, or (c) a violation of law;**

3. it was in the Receiving Party's lawful possession prior to the disclosure and had not been obtained by the Receiving Party either directly or indirectly from the Disclosing Party;
4. it is required by existing contractual obligations of which the Disclosing Party is aware;
5. it is independently developed by the Receiving Party without reliance on the Confidential Information;
6. It is required by any securities exchange or regulatory or governmental body to which it is subject or by judicial process;
7. It is otherwise obtained under the Freedom of Information Law or other applicable New York State laws or regulations; or
8. the disclosure is to its professional advisers, auditors or banker; or to any of its directors, other officers, employees and subcontractors (a "Recipient") to the extent that disclosure is reasonably necessary for the purposes of this Agreement.

D. In addition to the foregoing, Nassau represents that it has certain obligations with regard to the use and protection of Personal Data. "Personal Data" means non-public, personally identifiable information of Nassau's employees or citizenry. Oracle will not store, maintain or process any Personal Data on Nassau's behalf connection with the provision of programs, related technical support and other services under the Agreement. Any access by Oracle to Personal Data will be incidental to the software and related services provided by Oracle to Nassau. Nassau agrees that it will endeavor not to unnecessarily provide any Personal Data to Oracle under the Agreement. To the extent that Oracle has any incidental access to Personal Data in providing its Software and services to Nassau, Oracle agrees that (1) it shall not disclose or use Personal Data except to the extent reasonably required to carry out its obligations under the Agreement; and (2) it shall maintain appropriate information security measures to protect such Personal Data from unauthorized disclosure or use. The obligations set forth in this paragraph shall survive termination of this Agreement.

XII. BREACH

- A. **Breach, Generally.** If either party breaches a material term of this Agreement and fails to correct the breach within 30 days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate this Agreement, subject to the Dispute Resolution process set forth in the Article immediately below.
- B. **Failure to Make Payment.** In the event Nassau fails to make payment to Oracle for Software or Services delivered and accepted, and invoiced as set forth herein, within thirty (30) days of such delivery and acceptance, Oracle may, upon 10 days advance written notice to Nassau's purchasing official, suspend additional shipments of Software or provision of Services to Nassau until such time as reasonable arrangements have been made and assurances given by such entity for current and future payments. If the breach is for the failure to pay for Software and the breach continues unabated, upon written notice of termination, Oracle may terminate

Nassau's license for the unpaid-for Software. Notwithstanding the foregoing, Oracle shall, at least 10 days prior to declaring a breach of contract by Nassau, by certified or registered mail, notify the purchasing official of Nassau of the specific facts, circumstances and grounds upon which a breach will be declared. It is understood, however, that if Oracle's basis for declaring a breach is insufficient, Oracle's declaration of breach and failure to service Nassau shall constitute a breach of its Agreement and Nassau may thereafter seek any remedy available at law or equity.

C. Remedies for Breach. It is understood and agreed that all rights and remedies afforded below shall be in addition to all remedies or actions otherwise authorized or permitted by law, except where expressly limited in this Agreement:

1. **Cover/Substitute Performance.** In the event of Oracle's material, uncured breach, Nassau may, with or without formally bidding: (i) purchase from other sources; or (ii) if Nassau is unsuccessful after making reasonable attempts, under the circumstances then existing, to timely obtain acceptable service or acquire replacement software of equal or comparable quality, Nassau may acquire acceptable replacement software of lesser or greater quality. Such purchases may, in the discretion of Nassau, be deducted from the Agreement quantity and payments due Oracle.
2. **Withhold Payment.** In any case where a reasonable question of material non-performance by Oracle arises, payment may be withheld in whole or in part at the discretion of Nassau.
3. **Bankruptcy.** In the event that Oracle files a petition under the U.S. Bankruptcy Code during the term of this Agreement, Nassau may, at its discretion, make application to exercise its right to set-off against monies due the Debtor or, under the Doctrine of Recoupment, credit Nassau the amounts owed by Oracle arising out of the same transactions.
4. **Reimbursement of Costs Incurred.** Oracle agrees to reimburse Nassau promptly for any and all additional costs incurred for acquiring acceptable services, and/or replacement software. Should the cost of cover be less than the price charged under this Agreement, Oracle shall have no claim to the difference.
5. **Deduction/Credit.** Sums due as a result of these remedies may be deducted or offset by Nassau from payments due, or to become due, Oracle on the same or another transaction. If no deduction or only a partial deduction is made in such fashion Oracle shall pay to Nassau the amount of such claim or portion of the claim still outstanding, on demand.

XIII. DISPUTE RESOLUTION

- A.** In the event there is a dispute or controversy under this Agreement, the parties agree to exercise their best efforts to resolve the dispute as soon as possible. The parties shall, without delay, continue to perform their respective obligations under this Agreement, which are not affected by the dispute.
- B.** In the event Nassau is dissatisfied with Oracle's Software or Services provided under this Agreement, Nassau shall notify Oracle in writing. In the event Oracle has any disputes with Nassau, Oracle shall so notify Nassau in writing. If either party notifies the other of such dispute or controversy, the other party shall then make

good faith efforts to solve the problem or settle the dispute amicably, including meeting with the party's representatives to attempt diligently to reach a satisfactory result.

- C. If negotiation between such persons fails to resolve any such dispute to the satisfaction of the parties within 14 business days or as otherwise agreed to by the parties, of such notice, then the matter shall be submitted to Nassau's senior county executive and Oracle's senior officer of the rank of Vice President or higher as its representative. Such representatives shall meet in person and shall attempt in good faith to resolve the dispute within the next 14 business days or as otherwise agreed to by the parties. This meeting must be held before either party may seek any other method of dispute resolution, including judicial or governmental resolutions. Notwithstanding the foregoing, this Article shall not be construed to prevent either party from seeking and obtaining temporary equitable remedies, including injunctive relief.
- D. Oracle shall extend the dispute resolution period for so long as Nassau continues to make reasonable efforts to cure the breach, except with respect to disputes about the breach of payment of fees or infringement of its or its licensors' intellectual property rights.
- E. This Article XIII does not apply to any breach by Nassau of Oracle's or its licensor's intellectual property rights.

XIV. TERMINATION

The following termination provisions are subject to the Dispute Resolution provision, to terms of the Technical Support Policies, and other provisions of this Agreement. Termination under this Article does not relieve Nassau of its obligation to pay for Programs or Services delivered by Oracle under this Agreement.

- A. **For Cause:** For a material breach that remains uncured for more than thirty (30) days or other specified period after written notice to Oracle, the Agreement or Purchase Order may be terminated by Nassau at Oracle's expense where Oracle becomes unable or incapable of performing, or meeting any requirements or qualifications set forth in the Agreement, or for non-performance, or upon a determination that Oracle is non-responsible. Such termination shall be upon written notice to Oracle. In such event, Nassau may complete the contractual requirements in any manner it may deem advisable and pursue available legal or equitable remedies for breach. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid fees and charges incurred through the date of the termination.
- B. **For Convenience:** By written notice, this Agreement may be terminated at any time by Nassau for convenience upon sixty (60) days written notice or other specified period without penalty or other early termination charges due. Such termination of the Agreement shall not affect any Purchase Order that has been issued under the Agreement prior to the date of such termination. If the Agreement is terminated pursuant to this subdivision, Nassau shall remain liable for all accrued but unpaid

charges incurred through the date of the termination. Oracle shall use due diligence and provide any outstanding deliverables.

XV. FORCE MAJEURE

A force majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled. Force majeure includes, but is not limited to, acts of God, acts of war, acts of public enemies, strikes, fires, explosions, actions of the elements, floods, or other similar causes beyond the control of Nassau or Oracle in the performance of the Agreement which non-performance, by exercise of reasonable diligence, cannot be prevented. Oracle shall provide Nassau with written notice of any force majeure occurrence as soon as the delay is known.

Neither Nassau nor Oracle shall be liable to the other for any delay in or failure of performance under the Agreement due to a force majeure occurrence. Any such delay in or failure of performance shall not constitute default or give rise to any liability for damages. The existence of such causes of such delay or failure shall extend the period for performance to such extent as determined by Oracle or Nassau to be necessary to enable complete performance by Oracle if reasonable diligence is exercised after the cause of delay or failure has been removed.

If such event continues for more than 90 days, either party may cancel unperformed Services upon written notice. This section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or Nassau's obligation to pay for Software delivered or Services provided.

XVI. AUDIT OF SOFTWARE USAGE

Upon 45 days written notice, Oracle may audit Nassau's use of the Software. Oracle agrees not to audit Nassau's use more frequently than once annually. Nassau agrees to cooperate with Oracle's audit and provide reasonable assistance and access to information during its normal business hours. Nassau shall be entitled to designate a representative who shall be entitled to participate in such audit. Nassau agrees that Oracle shall not be responsible for any of Nassau's reasonable costs incurred in cooperating with the audit.

Oracle shall provide Nassau with a report of any such audit, and Nassau shall have the right to provide a written response to the report to Oracle. All such audit reports and responses to such audit reports shall be considered confidential and subject to the non-disclosure obligations in this Agreement. In the event such audit discloses that Nassau exceeds the scope of the permissible use of the licenses for the Software, Nassau agrees to immediately cease its impermissible use of such Software. To continue its use of such licenses, Nassau agrees to pay within thirty (30) days of the receipt of written notification and provision of an invoice.

Notwithstanding the foregoing, if Nassau in good faith provides Oracle with written notice of an alleged error in the amount of underpaid fees reported in the audit and agrees to pay any amounts not in dispute, Nassau may invoke the Dispute Resolution Process provided in Article XIII of this Agreement. If Nassau pays the undisputed

amounts and provides the aforementioned notice of error, Nassau is not obligated to cease its alleged impermissible use of the Software during the Dispute Resolution process. During the Dispute Resolution process, Oracle agrees not to terminate the Software or any associated Technical Support services, nor commence formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief, until an amicable resolution of the dispute through continued negotiation of the matter at issue does not appear likely.

XVII. POLICIES AND SECURITY

In performing this Agreement, Oracle warrants, covenants and represents that it will comply fully with Nassau's rules, procedures and protocols ("Procedures"), including but not limited to physical, facility, documentary, information security and cyber security, provided that such Procedures do not violate any state, local or federal law. Nassau shall make available the relevant Procedures and Oracle shall be responsible for distributing to its representatives and assessing and ensuring compliance. If any part of the Procedures should violate Oracle's Code of Ethics and Business Conduct or Oracle is otherwise unable to comply, Oracle shall notify Nassau in writing. Nassau shall be responsible for acquiring the necessary approvals for the waiver from the entity that issued the Procedure. Oracle and Nassau agree that the Procedures do not modify or amend the other terms and conditions of the Agreement.

XVIII. MISCELLANEOUS

- A. Cooperation Between Contractors.** Oracle shall be responsible for fully cooperating with any third party, including but not limited to other contractors or subcontractors of Nassau, as necessary to ensure delivery of Software or coordination of performance of Services.
- B. Independent Contractors.** It is understood and agreed that the legal status of Oracle, its agents, officers and employees under this Agreement is that of an independent contractor, and in no manner shall they be deemed employees of Nassau, and therefore are not entitled to any of the benefits associated with such employment. Oracle agrees, during the term of this Agreement, to maintain at Oracle's expense those benefits to which its employees would otherwise be entitled by law, including health benefits, and all necessary insurance for its employees, including worker's compensation, disability and unemployment insurance, and to provide Nassau with certification of such insurance upon request. Oracle remains responsible for all applicable federal, state and local taxes, and all FICA contributions.
- C. No Hard Stop / Passive License Monitoring.** Unless Nassau is otherwise specifically advised to the contrary in writing at the time of order and prior to purchase, Oracle hereby warrants and represents that either: (1) the Software and all Updates do not and will not contain any computer code that would disable the Software or Updates or impair in any way its operation based on the elapsing of a period of time, exceeding an authorized number of copies, advancement to a particular date or other numeral, or other similar self-destruct mechanisms (sometimes referred to as "time bombs," "time locks," or "drop dead" devices) or that would permit Oracle to access the Software to cause such disablement or impairment (sometimes referred to as a "trap door" device); or (2) if the Software or

Updates does contain any such computer code, such computer code shall not be enabled. Oracle agrees that in the event of a breach or alleged breach of this provision, Nassau may seek a temporary restraining order, injunction, or other form of equitable relief against the continuance of such breach, in addition to any and all remedies to which Nassau shall be entitled.

- D. Proof of License.** The fully signed Ordering Document, Nassau's corresponding Purchase Order and payment of Oracle's invoice shall serve as Nassau's proof of License.
- E. Severability.** If any provision of this Agreement is deemed invalid or unenforceable, such determination shall have no effect on the balance of the Agreement, which shall be enforced and interpreted as if such provision was never included in the Agreement.
- F. Entire Agreement and Modification of Agreement Terms.** This Agreement and the referenced appendices constitute the entire agreement between the parties thereto and no statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid, and the Agreement shall not be changed, modified or altered in any manner except by an instrument in writing executed by both parties hereto. No preprinted terms or conditions on a Purchase Order issued by Nassau, which seek to vary the terms of this Agreement or impose new duties or obligations on Oracle, shall have any force or effect.
- G. Assignments and Mergers, Acquisitions, Divestitures.** Upon notice to Oracle, the Agreement may be assigned without the consent of Oracle to another Nassau subdivision pursuant to a governmental reorganization or assignment of functions under which the functions are transferred to a successor entity that assumes Nassau's responsibilities for the Agreement. If Nassau grants a security interest in the Programs and/or any Services deliverables, the secured party has no right to use or transfer the Programs and/or any Services deliverables, and if Nassau decides to finance an acquisition of the programs and/or any services, it will follow Oracle's policies regarding financing which are at <http://oracle.com/contracts>. Except in the event of a merger, consolidation, acquisition, internal restructuring, or sale of all or substantially all of the assets of Oracle, Oracle may not assign this Agreement without Nassau's prior written consent. Oracle's obligation to perform under this Agreement shall not be affected or impaired by any reorganization, consolidation or merger to which Oracle is, or may become, a party.
- H. Press Releases / Publicity.** Oracle shall obtain the prior written approval of Nassau relative to the Agreement for press or other media releases.
- I. UCITA.** The Uniform Computer Information Transactions Act does not apply to this Agreement or orders placed under it.
- J. Legal Compliance.** Oracle represents it will pay at its sole expenses for all applicable permits, licenses, tariffs, tolls and fees and that it shall secure all notices and comply with all laws, ordinances, rules and regulations of any governmental

entity applicable to the performance of obligations under the Agreement or seek waiver therefrom. Prior to award and during the Agreement term and any renewals thereof, Oracle must establish to the satisfaction of Nassau that it meets or exceeds all requirements of the Agreement and any applicable laws, including but not limited to, permits, insurance coverage, licensing, and proof of coverage for workers' compensation, and shall provide such proof as required by Nassau. Failure to comply or failure to provide proof may constitute grounds for Nassau to cancel or suspend the Agreement, in whole or in part or to take any other action deemed necessary by Nassau.

- K. Captions.** The captions contained in this Agreement are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.
- L. Governing Law.** This procurement, the resulting contract and any purchase orders issued hereunder shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise, and actions or proceedings arising from the contract shall be heard in a court of competent jurisdiction in the State of New York.
- M. Order of Precedence.** The documents comprising this Agreement shall have the following order of precedence: (1) Appendix A; (2) Ordering Document(s); (3) this Agreement; and (4) all other exhibits.

XIX. NASSAU SPECIFIC LAWS, ORDINANCES, REQUIREMENTS

A. Insurance.

1. **Types and Amounts.** Oracle shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) aggregate coverage, (ii) compensation insurance for the benefit of Oracle's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iii) such additional insurance, including, without limitation, builder's all risk, if applicable, automobile liability insurance and umbrella liability insurance, as Nassau may from time to time specify.
2. **Acceptability; Deductibles; Subcontractors.** All insurance obtained and maintained by Oracle pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed or authorized to do business in New York State and acceptable to Nassau; and (ii) in form and substance acceptable to Nassau. Oracle shall be solely responsible for the payment of all deductibles to which such policies are subject. Oracle shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by Oracle under this Agreement.
3. **Delivery; Coverage Change; No Inconsistent Action.** Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the

Insurance coverage required by this Agreement shall be delivered to the Nassau County Attorney's Office. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, Oracle shall provide written notice to the Nassau County Attorney's Office of the same and deliver to Nassau County Attorney's Office renewal or replacement certificates of insurance. Oracle shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take any action, or omit to take any action, which would suspend or invalidate any of the required coverages. The failure of Oracle to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of Oracle to maintain the other required coverages shall be deemed a material breach of this Agreement upon which Nassau reserves the right to consider this Agreement terminated as of the date of such failure.

- B. No Arrears or Default.** Oracle is not in arrears to Nassau upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to Nassau, including any obligation to pay taxes to, or perform services for or on behalf of, Nassau.
- C. Nassau County Living Wage Law.** Pursuant to LL 12006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, with respect to Services provided to Nassau which are performed within the United States, Oracle agrees as follows:
1. Oracle shall comply with the applicable requirements of the Living Wage Law, as amended;
 2. Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Oracle has the right to cure such breach within thirty days of receipt of notice of breach from Nassau. In the event that such breach is not timely cured, Nassau may terminate this Agreement as well as exercise any other rights available to Nassau under applicable law.
 3. It shall be a continuing obligation of Oracle to inform Nassau of any material changes in the content of its certification of compliance, attached as Exhibit 6, and shall provide to Nassau any information necessary to maintain the certification's accuracy.
- C. Administrative Service Charge.** Oracle agrees to pay Nassau an administrative service charge of five hundred and thirty-three dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 741979, as amended by Ordinance Number 1282006.
- D. Executory Clause.** Notwithstanding any other provision of this Agreement:
1. **Approval and Execution.** Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle unless:
 - (i) all Nassau approvals have been obtained, including, if required, approval by the Nassau County Legislature, and

- (ii) this Agreement has been executed by the Nassau.
2. **Availability of Funds:** Nassau shall have no liability under this Agreement (including any extension or other modification of this Agreement) to Oracle beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the State and/or federal governments, then beyond funds available to Nassau from the State and/or federal governments. Notwithstanding the foregoing, (a) Nassau agrees to pay for all Software ordered and Services performed by Oracle prior to Oracle's receipt of Nassau's notice of the unavailability of funding or appropriations and (b) Nassau's issuance of a Purchase Order to Oracle is its representation to Oracle that funds for that purchase have been fully appropriated and are presently available.

XX. NOTICES

If Nassau has a dispute with Oracle or if Nassau wishes to provide a notice under the Indemnification section of this Agreement, or if Nassau becomes subject to insolvency or other similar legal proceedings, it will promptly send written notice to: Oracle USA, Inc., 500 Oracle Parkway, Redwood City, California, USA, Attention: General Counsel, Legal Department.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

ORACLE USA, INC.

NASSAU COUNTY, NEW YORK

Signature: [Handwritten Signature]

Signature: [Handwritten Signature]

Name: DOUGLAS W. DORAN

Name: THOMAS W. STATES

Title: DIRECTOR, LICENSE CONTRACTS

Title: DEPUTY CO. EXEC.

Date: 5/1/2009

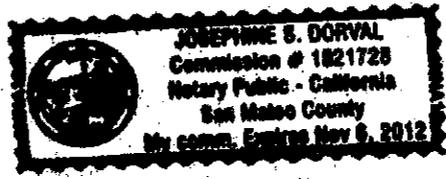
Date: 5-29-09

Corporate Acknowledgement

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On this 1st day of May, 2009 before me personally came Douglas W. Doran, to me known, who, being duly sworn, did depose and say that he/she is Director of the corporation described in the foregoing instrument and that he/she executed the foregoing instrument as Director thereof.

[Handwritten Signature]
Notary Public



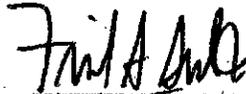
STATE OF NEW YORK)

)ss.:

COUNTY OF NASSAU)

On the 29th day of MAY in the year 2009 before me personally came THOMAS W STOKES to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of Suffolk; that he or she is a Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto pursuant to Section 205 of the County Government Law of Nassau County.

NOTARY PUBLIC



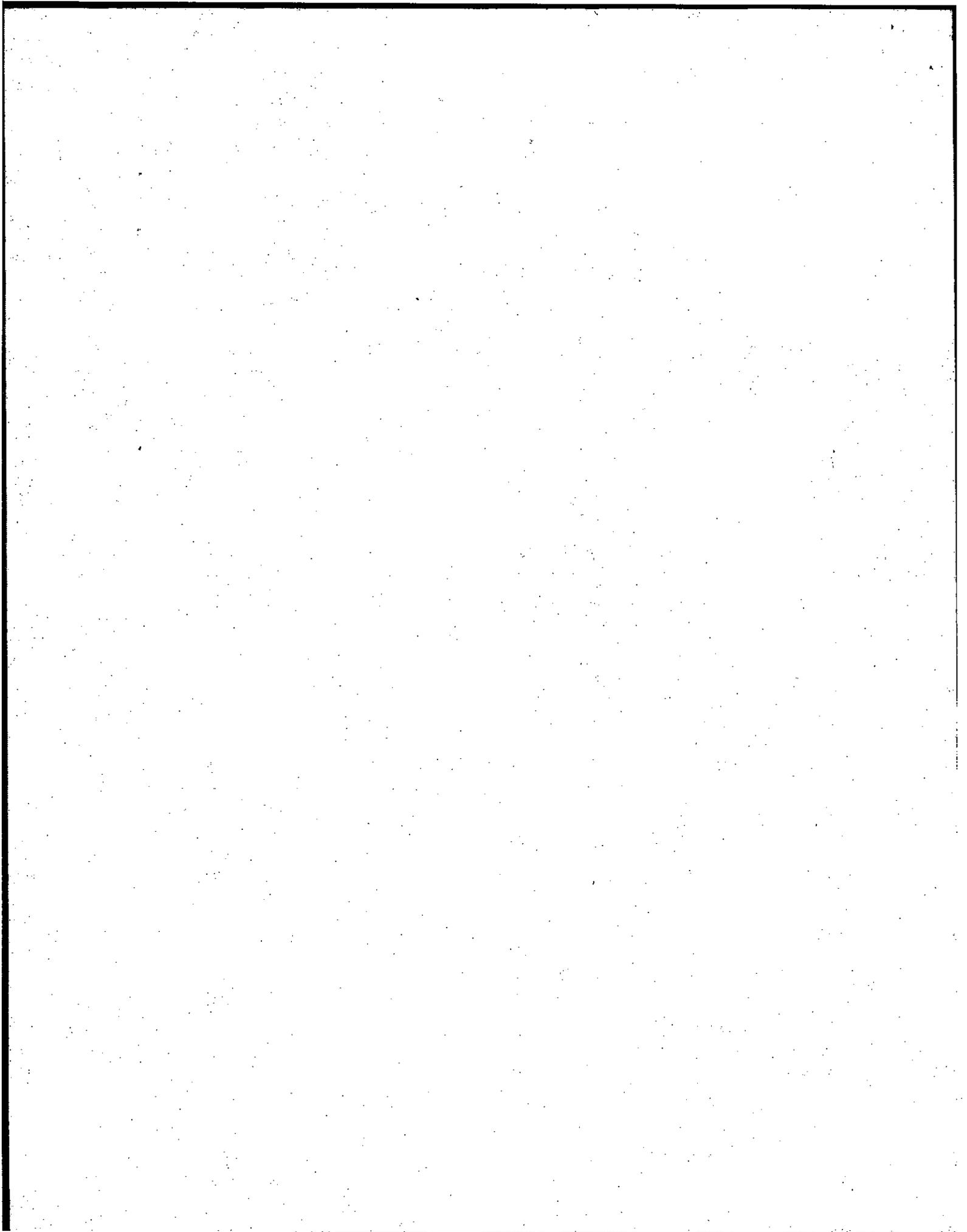
FREDERICK A SUZEL JR

NOTARY PUBLIC-STATE OF NEW YORK

No. 013U4781488

Qualified in Queens County

My Commission Expires February 28, 2010





ORDERING DOCUMENT

Oracle USA, Inc.
 500 Oracle Parkway
 Redwood Shores, CA 94065

Your Name: NASSAU COUNTY, NEW YORK
 Your Location: 240 Old Country Road
 Mineola, NY 11501

Your Contact: Keith Hill
 Phone Number: 516-571-4160
 Email Address: khill@nassaucountynv.gov

ORACLE CONTRACT INFORMATION

Agreement: Software License and Services Agreement

Agreement Name: _____ ("agreement")

This ordering document incorporates by reference the terms of the agreement specified above. The following defined and capitalized terms in the referenced agreement between you and Oracle USA, Inc. (as successor in interest to Oracle Corporation, hereinafter "Oracle") shall have the same meaning as the stated terms in this ordering document: "Agreement" and "agreement"; "Customer"/"Client" and "you"/"your"; "Program" and "program"; "Technical Support" and "technical support"; "Program Documentation"/"Documentation" and "program documentation"; and "Ordering Document"/"Order Form" and "ordering document".

A. Description and Fees for Ordered Programs and Services

Listed below is a summary of net fees due under the ordering document. These fees are in US Dollars and are exclusive of any applicable shipping charges or applicable taxes. You have ordered the program licenses and 12 months of technical support services described below:

A. 1 - Product Description / License Type	Quantity
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual	3200
PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual	3200
Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual	3200
A. 2 - Product Description / License Type	Quantity
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual	9700

PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual	9700
PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	9700

A.3 - Product Description / License Type	Quantity
User Productivity Kit - UPK Developer Perpetual	5
User Productivity Kit - UPK Employee Perpetual	9700
PeopleSoft Enterprise UPK Human Resources over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payroll for North America over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Benefits Administration over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Time & Labor over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePay over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eBenefits over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK ePerformance over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Learning Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK General Ledger over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Receivables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Payables over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Asset Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Project Costing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Contracts over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Grants over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Expenses - over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Planning and Budgeting over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Billing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Purchasing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Inventory over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProcurement over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eCompensation Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK eProfile Manager Desktop over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Absence Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Talent Acquisition Manager over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Strategic Sourcing over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Enterprise Portal over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for Financials/ESA and Supply Chain over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for HRMS Software Modules over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Fundamentals for Financials and Supply Chain Management over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1
PeopleSoft Enterprise UPK Reporting Tools for PeopleTools over 4K employees and/or \$1 billion in revenue - UPK Module Perpetual	1

A.4 - Product Description / License Type	Quantity
Diagnostics Pack - Processor Perpetual	18
Application Management Pack for PeopleSoft - Named User Plus Perpetual	50
Application Management Pack for PeopleSoft - Processor Perpetual	18
Oracle Business Intelligence Management Pack - Named User Plus Perpetual	143
Oracle Business Intelligence Suite Enterprise Edition Plus - Named User Plus Perpetual	143
Business Intelligence Server Administrator - Named User Plus Perpetual	10

A.5 - Product Description / License Type	Quantity
Crystal Reports for PeopleSoft Enterprise for Unlimited Users (Mfr is Business Objects SA Third Party Program)	1
Crystal Enterprise/BusinessObjects Enterprise PeopleSoft Enterprise Concurrent Access License (bundles of 5) (Mfr is Business Objects SA Third Party Program)	1
Websphere for PeopleSoft Enterprise (Mfr is International Business Machines Corporation; Third Party Program)	1

	Net Fee
Oracle Programs License Fees	\$1,628,356.32
Oracle Programs Support Fees	\$358,458.35
Net Fee	\$1,987,814.67
Total Fees	\$1,987,814.67

B. General Terms

1. Commencement Date

All program licenses and the period of performance for all services are effective upon shipment of tangible media or upon the effective date of this ordering document if shipment of tangible media is not required.

2. Fees, Invoicing, and Payment Obligation

a. All fees due under this ordering document shall be non-cancelable and the sums paid nonrefundable, except as provided in the agreement.

b. In entering into payment obligations under this ordering document, you agree and acknowledge that you have not relied on the future availability of any program or updates. However, (a) if you order technical support for programs licensed under this ordering document, the preceding sentence does not relieve Oracle of its obligation to provide such technical support under this ordering document, if and when available, in accordance with Oracle's then current technical support policies, and (b) the preceding sentence does not change the rights granted to you for any program licensed under this ordering document, per the terms of this ordering document and the agreement.

c. In accordance with the agreement: (i) license fees are invoiced as of the commencement date; and (ii) service fees are invoiced after the performance of the service; specifically, technical support fees are invoiced quarterly in arrears from the commencement date.

d. In addition to the fees listed in section A, Oracle will invoice you for any applicable shipping charges or applicable taxes.

3. Delivery and Installation

a. You shall be responsible for installation of the software.

b. Oracle has made available to you for electronic download at the electronic delivery web site located at the following Internet URL: <http://edelivery.oracle.com> the programs listed in section A. Through the Internet URL, you can access and electronically download to your location the software and related documentation for each program listed in section A. Provided that you have continuously maintained technical support for the programs listed in section A, you may continue to download the software and related program documentation for the programs listed in section A. Please be advised that not all programs are available on all hardware/operating system combinations. For current program availability please check the electronic delivery web site. You acknowledge that Oracle's delivery obligation under this ordering document is met by the provision of the electronic delivery web site URL.

4. Source Code

Oracle may deliver source code as part of its standard delivery for particular programs; all source code delivered by Oracle is subject to the terms of the agreement, ordering document and program documentation.

5. Segmentation

The program licenses provided in this ordering document are offered separately from any other proposal for consulting services you may receive or have received from Oracle and do not require you to purchase Oracle consulting services.

6. Order of Precedence

In the event of any inconsistencies between the agreement and this ordering document, this ordering document shall take precedence.

7. Customer Reference

In consideration of the discounts granted to you under this ordering document, Oracle may refer to you as a customer in sales presentations, marketing vehicles and activities. In addition you agree to become part of Oracle's reference program by working with a representative from Oracle Marketing to develop a customer profile for use on Oracle.com and for other promotional activities at Oracle's discretion. The profile will include a quote from an executive of your organization and your organization's logo.

8. Territory

The program licenses and services described in section A are for use in the U.S.

9. Limited Use Programs

The programs listed in section A-4 are limited use programs and may be used only with the programs listed in section A.1, section A.2 and section A.3.

10. Technical Support Cap

Software Update License & Support (or any successor technical support offering to Software Update License & Support, "SULS") acquired with your order may be renewed annually and, if you renew SULS for the same number of licenses for the same programs, for the first, second, third and fourth renewal years, the fee for SULS will not increase over the prior year's fee. If you renew SULS for the same number of licenses for the same programs for the fifth, sixth, seventh, eighth or ninth renewal year, the fee for SULS will not increase by more than three percent (3%) over the prior year's fees.

C. Future Purchases

1. Expansion

a. If you exceed your licensed quantity you must order the programs (and first year Software Update License & Support for the programs) at the appropriate license and support fees specified on the attached Expansion Exhibit. The number of additional program licenses to be ordered shall be equal to the actual dollar amount of Enterprise \$M of Operating Budget listed in section A.1 and/or the actual number of Enterprise Employees listed in section A.2 as of the order date less the total number of licensed quantity (under this ordering document or other ordering documents) rounded up to the next increment on the attached Expansion Exhibit.

b. The license definitions and program specific terms contained in section D of this ordering document will apply to program licenses ordered pursuant to this section.

c. Oracle has no delivery obligation for program licenses ordered pursuant to this section.

D. Enterprise Application Specific Terms

1. Enterprise \$M Operating Budget

\$M Operating Budget is defined as one million US Dollars of your gross budget reflected in an audited statement from your external accounting firm.

2. Applicable to programs with the license type of Enterprise \$M Operating Budget

The value of these program licenses is determined by the amount of Enterprise \$M Operating Budget. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the amount of Enterprise \$M Operating Budget as of the effective date of your order. If at any time the amount of Enterprise \$M Operating Budget exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the amount of Enterprise \$M Operating Budget is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the amount of Enterprise \$M Operating Budget. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise \$M Operating Budget as of such date.

3. Enterprise Employee

Enterprise Employee is defined as all of your full-time, part-time, temporary employees and all of your agents, contractors and consultants. The quantity of the licenses required is determined by the number of Enterprise Employees and not the actual number of users. In addition, if you elect to outsource any business function(s) to another company, all of the company's full-time, part-time, temporary employees and agents, contractors and consultants that are providing the outsourcing services for you must be counted for the purposes of determining the number of Enterprise Employees.

4. Applicable to programs with the license type of Enterprise Employee

The value of these program licenses is determined by the number of Enterprise Employees. For these program licenses, the licensed quantity purchased must, at a minimum, be equal to the number of Enterprise Employees as of the effective date of your order. If at any time the number of Enterprise Employees exceeds the licensed quantity, you are required to order additional licenses (and technical support for such additional licenses) such that the number of Enterprise Employees is equal to or less than the licensed quantity. You are not entitled to any refund, credit or other consideration of any kind if there is a reduction in the number of Enterprise Employees. In addition, each year 90 days before the anniversary date (defined as the day and month of the ordering document effective date), you are required to report to Oracle the number of Enterprise Employees as of such date.

5. Archival Back-Up and Disaster Recovery

The last sentence of Article II, Section E.3 of the agreement shall not apply to the programs listed in sections A.1, A.2 and A.3 of this ordering document.

F. Program Specific Terms for the Peoplesoft Product Lines

1. License Grant

Oracle grants to you a non-exclusive, nontransferable license for your UPK Developer(s) to: (i) use those User Productivity Kit ("UPK") products listed in Section A (collectively referred to as "materials") only as necessary to create and provide training solely for UPK to use the underlying programs for your benefit; (ii) make an unlimited number of copies of the materials only as necessary to create and provide training solely to UPK to use the underlying programs for your benefit; and (iii) develop modifications and customizations to the UPK programs licensed per UPK Module, if applicable, all subject to the terms and conditions set forth in the agreement, provided all copyright notices are reproduced as provided on the original. You are prohibited from reselling or distributing the materials to any other party or using the materials other than as explicitly permitted in this ordering document or in the agreement. Oracle represents that the materials and any content created by you using the program materials contain valuable proprietary information. Oracle (or its third-party program providers) retains title to all portions of the materials and any copies thereof. You shall use materials modifications created by you solely for your internal use in accordance with the terms of the agreement. You may provide access to and use of the materials only to those third parties that are licensed as UPK Users and that: (a) provide services to you concerning your use of the materials; (b) have a need to use and access the materials; and (c) have agreed to substantially similar non-disclosure obligations imposed by you as those contained in the agreement. **NOTWITHSTANDING ANYTHING IN THE AGREEMENT TO THE CONTRARY, PROGRAMS LICENSED PER UPK MODULE ARE PROVIDED "AS IS" AND ARE PROVIDED WITHOUT WARRANTY OF ANY KIND.**

1. UPK Materials

For UPK content materials licensed under this ordering document, you represent and warrant that you have a valid license for the underlying program(s). All content materials are published in English language only.

2. UPK Module

UPK Module is defined as the functional software component described in the product documentation.

3. Included Programs - Crystal Reports for PeopleSoft Enterprise

This program is a third party program and it is also a supportable program. "Unlimited users" for purposes of this program means all users who are authorized by you to use such program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

4. Included Programs - Crystal Enterprise/BusinessObjects Enterprise for PeopleSoft Enterprise

You acknowledge that this program requires a web application server. This third party program is a supportable program. A "concurrent access license" is a license for one person to access all features and functions of this program. A concurrent access license user is accessing the program from the time the concurrent access license user logs onto the program until the concurrent access license user exits or closes the program. You may use this third party program solely in conjunction with PeopleSoft Enterprise programs licensed by you.

5. Included Programs - WebSphere

Notwithstanding anything in the agreement to the contrary, Oracle shall not be obligated to indemnify you for any claims based on: (i) any third party products identified in the "README" AND "LICENSE.TXT" files included with WebSphere; (ii) open source code delivered with the WebSphere product; (iii) any trade secret embodied within WebSphere; and (iv) the combination, operation or use of WebSphere with any non-International Business Machine Corporation product, data, or apparatus. In addition to the terms set forth in the agreement and this ordering document, use of this program shall be subject to the terms and conditions set forth in the "README" and "LICENSE.TXT" files included with the WebSphere program, as those terms may change from time to time. Notwithstanding anything herein to the contrary: (a) source code is not included for this program and (b) this third party program is a supportable program.

By signing below, the parties agree that the agreement and this ordering document constitute the entire agreement between the parties with regard to the subject matter herein and as such, no other preprinted, non-negotiated or other terms and conditions, on the customer's purchase order or elsewhere, shall apply. The offer is valid through 30-NOV-2008 and shall become binding upon execution by you and acceptance by Oracle.

NASSAU COUNTY, NEW YORK

Signature

Name

Title

Signature Date

Effective Date

 (to be completed by Oracle)

ORACLE USA, INC.

Signature

Name

Title

Signature Date

Expansion Exhibit

1. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.1 with the license type "Enterprise \$M in Operating Budget Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment (In millions)
PeopleSoft Enterprise Financials - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Treasury - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Purchasing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Inventory - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise eSupplier Connection - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise eProcurement - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Strategic Sourcing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Supplier Contract Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Asset Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Project Costing - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Contracts - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Grants - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Expenses - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Program Management - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise EPM Portal Pack - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Scorecard - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Performance Management Warehouse - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Portal - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Supplier Rating System - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Financials Portal Pack - Enterprise \$M in Operating Budget Perpetual PeopleSoft Enterprise Planning and Budgeting - Enterprise \$M in Operating Budget Perpetual Hyperion Planning - System 9 - Enterprise \$M in Operating Budget Perpetual Hyperion Workforce Planning - Enterprise \$M in Operating Budget Perpetual Hyperion Capital Asset Planning - Enterprise \$M in Operating Budget Perpetual Hyperion Performance Scorecard - Enterprise \$M in Operating Budget Perpetual	84,264.19	20,738.12	320

2. Listed below is the license fee and first year Software Update License & Support fee for additional program licenses for the program listed in section A.2 with the license type "Enterprise Employee Perpetual" that may be purchased pursuant to section [C.1]:

Product Description	License Fee/ Increment	First Year Software Update License & Support/ Increment	Increment
PeopleSoft Enterprise Human Resources - Enterprise Employee Perpetual PeopleSoft Enterprise Payroll - Enterprise Employee Perpetual PeopleSoft Enterprise Absence Management - Enterprise Employee Perpetual PeopleSoft Enterprise Time and Labor - Enterprise Employee Perpetual PeopleSoft Enterprise Recruiting Solutions - Enterprise Employee Perpetual PeopleSoft Enterprise ePerformance - Enterprise Employee Perpetual PeopleSoft Enterprise Benefits Administration - Enterprise Employee Perpetual PeopleSoft Enterprise eCompensation - Enterprise Employee Perpetual PeopleSoft Enterprise Learning Management - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Rewards - Enterprise Employee Perpetual PeopleSoft Enterprise Workforce Scorecard - Enterprise Employee Perpetual PeopleSoft Enterprise HRMS Portal Pack - Enterprise Employee Perpetual	24,372.91	5,362.04	970

APPENDIX A

**STANDARD CLAUSES FOR NEW YORK STATE
CONTRACTS**

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licenser, licensee, lessor, lessee or any other party):

1. EXECUTORY CLAUSE. In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. NON-ASSIGNMENT CLAUSE. In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the previous consent, in writing, of the State and any attempts to assign the contract without the State's written consent are null and void. The Contractor may, however, assign its right to receive payment without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. COMPTROLLER'S APPROVAL. In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6.a).

4. WORKERS' COMPENSATION BENEFITS. In accordance with Section 142 of the State Finance Law, this contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. NON-DISCRIMINATION REQUIREMENTS. To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, sexual orientation, age, disability, genetic predisposition or carrier status, or marital status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the

performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. WAGE AND HOURS PROVISIONS. If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this contract, shall have access to the Records during normal business hours at an office of the Contractor

within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION. (a) **FEDERAL EMPLOYER IDENTIFICATION NUMBER and/or FEDERAL SOCIAL SECURITY NUMBER.** All invoices or New York State standard vouchers submitted for payment for the sale of goods or services or the lease of real or personal property to a New York State agency must include the payee's identification number, i.e., the seller's or lessor's identification number. The number is either the payee's Federal employer identification number or Federal social security number, or both such numbers when the payee has both such numbers. Failure to include this number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or New York State standard voucher, must give the reason or reasons why the payee does not have such number or numbers.

(b) **PRIVACY NOTIFICATION.** (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law.

(2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in New York State's Central Accounting System by the Director of Accounting Operations, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN. In accordance with Section 312 of the Executive Law, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00, whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment,

employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State; or (iii) banking services, insurance policies or the sale of securities. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Governor's Office of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL

HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of State Finance Law §165. (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES.

In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
30 South Pearl St - 7th Floor
Albany, New York 12245
Telephone: 518-292-5220
Fax: 518-292-5884
<http://www.empire.state.ny.us>

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl St - 2nd Floor
Albany, New York 12245
Telephone: 518-292-5250
Fax: 518-292-5803
<http://www.empire.state.ny.us>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts.

21. RECIPROCITY AND SANCTIONS PROVISIONS. Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. PURCHASES OF APPAREL. In accordance with State Finance Law 162 (4-a), the State shall not purchase any apparel from any vendor unable or unwilling to certify that: (i) such apparel was manufactured in compliance with all applicable labor and occupational safety laws, including, but not limited to, child labor laws, wage and hours laws and workplace safety laws, and (ii) vendor will supply, with its bid (or, if not a bid situation, prior to or at the time of signing a contract with the State), if known, the names and addresses of each subcontractor and a list of all manufacturing plants to be utilized by the bidder.

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EXHIBIT 1

ORACLE TECHNICAL SUPPORT POLICIES

Technical Support Policies

Effective Date: 27-October-2008

Unless otherwise stated, these Technical Support Policies apply to technical support for all Oracle product lines. These Technical Support Policies may be referred to in former PeopleSoft agreements as the "Software Support Services Terms and Conditions", in former Siebel agreements as the "Maintenance Services Policy", in former Hyperion agreements as the "Standard Maintenance Program", in former Agile agreements as the "product support policy" and in former BEA agreements as the "Support Services" policies.

"You" and "your" refers to the individual or entity that has ordered technical support from Oracle or an authorized distributor.

To receive technical support as provided by Oracle Support Services ("OSS") and described in the Oracle Technical Support Levels section below, all programs must be properly licensed.

Technical support is provided for issues (including problems created by you) that are demonstrable in the currently supported release(s) of an Oracle licensed program, running unaltered, and on an appropriate hardware, database and operating system configuration, as specified in your order or program documentation.

Product release and supported platforms information for all Oracle programs, other than Cimmety AutoVue and Vuelink programs ("Cimmety programs"), Crystal Ball programs, and AdminServer programs, is available through Oracle's web-based customer support systems as described in the Web-Based Customer Support Systems section below. Product release and supported platforms information for Cimmety programs is available in the AutoVue Administration Guide that is included with the Cimmety program documentation.

Product release and supported platforms information for the following programs will be provided to you in writing:

Crystal Ball
AdminServer
Skywire (programs not included on the Skywire Online Support Portal)

Oracle will provide technical support in accordance with Oracle's privacy policy available at <http://www.oracle.com/html/privacy.html>.

These Technical Support Policies are subject to change at Oracle's discretion, however the services provided will not be materially reduced during the support period (defined below).

To view changes that have been made, please refer to the attached Statement of Changes (PDF).

Technical Support Fees

Technical support fees are due and payable annually in advance of a support period, unless otherwise stated in the relevant ordering document or financing or payment contract with Oracle or an Oracle affiliate. Your commitment to pay is required to process your technical support order with Oracle (e.g., purchase order, actual payment, or other approved method of payment). An invoice will be issued only upon receipt of your commitment to pay, and will be sent to a single billing address as designated by you. Failure to submit payment will result in the termination of support.

Support Period

Technical support is effective upon the effective date of your ordering document unless stated otherwise in your ordering document. If your order was placed through the Oracle Store, the effective date is the date your order was accepted by Oracle. Unless otherwise stated in the ordering document, Oracle technical support terms, including pricing, reflect a 12 month support period (the "support period"). All technical support services ordered for a support period and the related fees are non-cancelable and non-refundable. Oracle is not obligated to provide technical support beyond the end of the support period unless your technical support contract is renewed on or before the service expiration date.

License Set

A license set consists of (i) all of your licenses of a program, including any options* (e.g., Database Enterprise Edition and Enterprise Edition Options; Purchasing and Purchasing Options), Enterprise Manager* (e.g., Database Enterprise Edition and Diagnostics Pack), or self-service module* (e.g., Human Resources and Self-Service Human Resources) licensed for such programs, or (ii) all of your licenses of a program that share the same source code**. Development and demonstration licenses available through the Oracle Partner Network or the Oracle Technology Network are not included in the definition of a license set. For Crystal Ball programs, a license set is defined as the same licenses of a program contained on a single order.

*As specified on Oracle's price list.

**Programs that share the same source code are:

- Database Enterprise Edition, Database Standard Edition, Database Standard Edition One, and Personal Edition, and
- Internet Application Server Enterprise Edition, Internet Application Server Standard Edition, Internet Application Server Standard Edition One, and Internet Application Server Java Edition.

Matching Service Levels

When acquiring technical support, all licenses in any given license set must be supported under the same technical support service level (e.g., Software Update License & Support or unsupported). You may not support a subset of licenses within a license set; the license set must be reduced by terminating any unsupported licenses. You will be required to document license terminations via a termination letter.

Reinstatement of Oracle Technical Support

In the event that technical support lapses or was not originally purchased, upon the commencement of technical support a reinstatement fee will be assessed. The reinstatement fee is equal to 150% of the last-paid support fee, or 150% of the last-published list technical support price for the licensed program less the applicable standard discount as published on the Oracle Store ("standard discount") in effect at the time of reinstatement if support was not originally purchased for the relevant programs, prorated from the date technical support is being ordered back to the date technical support lapsed (or the license order date if technical support was never purchased). Applicable renewal adjustments are applied. Once the reinstatement fee has been assessed, technical support for the year following the reinstatement period may be purchased for an additional technical support fee as calculated based on how long the licensed program has been unsupported ("go-forward support fee"). If the lapsed support period is less than 6 months, the go-forward support fee is calculated based on the last-published list technical support price less the applicable standard discount in effect at the time of reinstatement. If the lapsed support period is 6 months or greater, the go-forward support fee is calculated based on the last-paid support fee. If support is not reinstated for the entire license set or if support for a subset of licenses from an ordering document is reinstated, then the "License Set", "Matching Service

Levels", and "Pricing following Reduction of Licenses or Support Level" policies will apply. Applicable renewal adjustments are applied to the reinstatement fee and go-forward support fee.

Pricing following Reduction of Licenses or Support Level

Pricing for support is based upon the level of support and the volume of licenses for which support is ordered. In the event that a subset of licenses on a single order is terminated or if the level of support is reduced, support for the remaining licenses on that license order will be priced at Oracle's list price for support in effect at the time of termination or reduction minus the applicable standard discount. Such support price will not exceed the previous support fees paid for both the remaining licenses and the licenses being terminated or unsupported, and will not be reduced below the previous support fees paid for the licenses continuing to be supported. If the license order from which licenses are being terminated established a price hold for additional licenses, support for all of the licenses ordered pursuant to the price hold will be priced at Oracle's list price for support in effect at the time of reduction minus the applicable standard discount.

Custom Application Bundles

Technical support may not be discontinued for a single program module within a custom application bundle.

Unsupported Programs

Customers with unsupported programs do not receive updates, maintenance releases, patches, telephone assistance, or any other technical support services for the unsupported programs. CD packs or programs purchased or downloaded for trial use, use with other supported programs, or purchased or downloaded as replacement media may not be used to update any unsupported programs.

Technical Contacts

Your technical contacts are the sole liaisons between you and OSS for technical support of programs. It is the recommended standard that your technical contacts are trained representatives of your company. Such training shall include initial basic product training and, as needed, supplemental training appropriate for specific role or implementation phase, specialized product usage, and/or migration. Your technical contacts should be knowledgeable about the Oracle programs and your Oracle environment in order to help resolve system issues and to assist Oracle in analyzing and resolving service requests. When submitting a service request, your technical contact should have a baseline understanding of the problem you are encountering and an ability to reproduce the problem in order to assist Oracle in diagnosing and triaging the problem. To avoid interruptions in support services, you must notify OSS whenever technical contact responsibilities are transferred to another individual.

With the order of Software Update License & Support, you may designate one (1) primary and four (4) backup individuals ("technical contact") per license set, to serve as liaisons with OSS. With each USD\$250,000 in net support fees per license set, you have the option to designate an additional two (2) primary and four (4) backup technical contacts. Your primary technical contact shall be responsible for (i) overseeing your service request activity, and (ii) developing and deploying troubleshooting processes within your organization. The backup technical contacts shall be responsible for resolving user issues. You may be charged a fee to designate additional technical contacts.

Oracle may review service requests logged by your technical contacts, and may recommend specific training to help avoid service requests that would be prevented by such training.

Program Updates

"Update" means a subsequent release of the program which Oracle generally makes available for program licenses to its supported customers at no additional license fee, other than shipping

charges if applicable, provided you have ordered a technical support offering that includes software updates for such licenses for the relevant time period. Updates do not include any release, option or future program that Oracle licenses separately. Updates are provided when available, and Oracle is under no obligation to develop any future programs or functionality. Any updates made available will be delivered to you, or made available to you for download. If delivered, you will receive one update copy for each supported operating system for which your program licenses were ordered. You shall be responsible for copying, downloading and installing the updates.

Oracle Configuration Manager

Oracle provides Oracle Configuration Manager (OCM) with some of its programs. The OCM is a tool that assists in the collection and transmission of your configuration data to Oracle to enable us to respond more efficiently to your service requests. The OCM tool will connect to Oracle over the internet. You may not receive a separate notice upon connection. You may turn the OCM tool off, however we strongly discourage this as it impedes our ability to provide services to you. More information on the tool is available at <http://www.oracle.com/technology/documentation/ocm.html>. By using this tool, you consent to the transmission of your configuration information to Oracle.

OCM will not access, collect or store any personally identifiable information (except for technical support contact information) or business data files residing in your software environment. Configuration data provided to Oracle by software tools will be stored in password-protected repositories. It will be used to assist in resolving service requests and to provide recommendations regarding configuration of your environment and deployment of programs. In addition, because the configuration information will be updated, it may be used by Oracle to assist you in managing your Oracle product portfolio, for license and services compliance and to help Oracle improve upon product and service offerings for you.

Payment Plan, Financing and Leasing Agreements

Technical support fees due under payment plans, financing or leasing agreements between you and Oracle or an Oracle affiliate ("payment plan") are due and payable in accordance with the terms and conditions of such payment plan, but the technical support shall be ordered pursuant to the terms of the applicable ordering document.

Lifetime Support

Lifetime Support consists of the following service levels:

- "Premier Support" which refers to the first 5 years of basic technical support services (also referred to as, and will be documented on your ordering document as, "Software Update License & Support")
- Extended Support (if offered)
- Sustaining Support

A description of the services available under Premier Support, Extended Support and Sustaining Support is included in the Oracle Technical Support Levels section below.

When offered, Premier Support will be available for five years from the date a release of the Oracle program becomes generally available, except as noted below.

Based on availability, support may be extended for an additional three years with Extended Support for specific releases.

Alternatively, support may be extended with Sustaining Support which will be available for as long as you maintain technical support for your Oracle licenses.

Refer to the attached document titled "Lifetime Support Policy: Coverage for Server Technologies" (PDF) for specific server technology programs that are, or will be, covered by the Lifetime Support policy.

Refer to the attached document titled "Lifetime Support Policy: Coverage for Applications" (PDF) for specific application programs that are, or will be, covered by the Lifetime Support policy.
Refer to the attached document titled "Lifetime Support Policy: Coverage for Retail Applications" (PDF) for specific Retail application programs that are, or will be, covered by the Lifetime Support policy.

Notes:

1. Active Reasoning, ContextMedia, Crystal Ball, Notiva, Sigma Dynamics, AdminServer, and Skywire and other programs and releases that have already had desupport dates posted on OracleMetaLink are excluded from the Lifetime Support policy.
2. For PeopleSoft Enterprise programs that have been retired under the previous 4-year support policy, Sustaining Support will be available for as long as you maintain technical support for these programs.
3. Tax updates and regulatory changes* will be made available for up to six (6) years from the release date of the licensed software for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs. Upgrade scripts, new software patches, and fixes to the latest release will be made available for five (5) years from the release date of the licensed software for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs.

*Tax updates and regulatory changes refers to those updates that address tax and/or regulatory changes which are generally made available to similarly situated licensees of PeopleSoft software, on a when and if available basis only.

4. Oracle's PeopleTools program, which was purchased in conjunction with an application program release, will be supported for as long as such application program release is supported. PeopleTools fixes are delivered in minor releases and patches; patches are provided on the current minor release only. Patches and platform certifications for a PeopleTools minor release are created when that release becomes generally available and will be supported for twelve (12) months after the next minor release becomes generally available.

To receive technical support, you may be required to apply a minor release upgrade of PeopleTools to remain current with versions of third party technologies and products as supported by the provider of the third party product.

5. For certain Oracle Retail application program releases* prior to release 11, limited Premier Support will be available for seven years from when that release became generally available. For Oracle Retail applications for which Premier Support is not available, Sustaining Support will be available for as long as you maintain technical support for these programs.

*formerly Retek, ProfitLogic, and 360 Commerce

6. For Oracle's Cimmetry programs, Oracle generally will make Premier Support available for 2 years following general availability of a release, after which Sustaining Support will be available for as long as you maintain technical support for your Oracle licenses. Premier

Support for Cimmetry programs will be documented on your ordering document as Software Update License & Support or Cimmetry Maintenance.

7. For supported customers whose Oracle application programs are only certified on Oracle9i Database Release 9.2 and the release for such application programs is currently supported under Premier Support or Extended Support, the Extended Support fee for Oracle9i Database Release 9.2 has been waived for the period August 1, 2008 to July 31, 2010. During this period, you will receive access to generally available fixes and critical patch updates ("CPUs") for such supported application programs running on the Oracle9i Database Release 9.2, at no additional cost other than your fees for Software Update License & Support (or any successor technical support offering to Software Update License & Support). A list of applications that are certified on Oracle9i Database Release 9.2 is available at <http://www.oracle.com/support/collateral/tsp-certified-applications.pdf>.
8. For the first year of Sustaining Support for Oracle E-Business Suite Release 11i, Oracle will provide fixes for Severity 1 production bugs. No legislative updates will be provided with the exception of U.S. Tax Form 1099 updates for the 2008 tax year. The period for the first year of Sustaining Support for Oracle E-Business Suite Release 11i is July 1, 2008 - June 30, 2009.
9. Extended Support for the Hyperion Pre-System 9 programs will be offered for the period October 1, 2008 to September 30, 2009. The Extended Support fee for this period has been waived for those program licenses for which customers have paid the System 9 Enablement Fee and for which technical support is continuously maintained.

Right to Desupport

It may become necessary as a part of Oracle's product lifecycle to desupport certain program releases and, therefore, Oracle reserves the right to desupport certain program releases. Program releases that are designated as subject to Premier Support under Oracle's Lifetime Support policy are excluded. If Cimmetry, Crystal Ball, Skywire, or AdminServer programs are desupported, you will be notified of such desupport directly by OSS. For all other Oracle programs, desupport information, including desupport dates, information about availability of Extended Support and Sustaining Support, and information about migration paths for certain features, is posted on OracleMetaLink, Customer Connection, eSupport Portal and BID Portal. Desupport information is subject to change. For Cimmetry, Crystal Ball, Skywire, and AdminServer programs, updated desupport information will be provided to you in writing. For all other Oracle programs, Oracle will provide updated desupport information on OracleMetaLink, Customer Connection, eSupport Portal and BID Portal as necessary.

First and Second Line Support

It is the recommended standard that you establish and maintain the organization and processes to provide "First Line Support" for the supported programs directly to your users. First Line Support shall include but not be limited to (i) a direct response to users with respect to inquiries concerning the performance, functionality or operation of the supported programs, (ii) a direct response to users with respect to problems or issues with the supported programs, (iii) a diagnosis of problems or issues of the supported programs, and (iv) a resolution of problems or issues of the supported programs.

If after reasonable commercial efforts you are unable to diagnose or resolve problems or issues of the supported programs, you shall contact Oracle for "Second Line Support". You shall use commercially reasonable efforts to provide Oracle with the necessary access (e.g., access to repository files, log files, or database extracts) required to provide Second Line Support. Oracle

does not ensure its performance of the technical support described herein if such access is not provided by you when requested by Oracle.

Second Line Support shall include but not be limited to (i) a diagnosis of problems or issues of the supported programs and (ii) reasonable commercial efforts to resolve reported and verifiable errors in supported programs so that such supported programs perform in all material respects the functions described in the associated documentation.

Oracle may review service requests logged by your technical contacts, and may recommend specific organization and process changes to assist you with the above recommended standard practices.

Third Party Vendor-Specific Support Terms

You must remain on a supported environment – including applications and platforms – to receive technical support. If a vendor retires support for its product, you may be required to upgrade to a current certified application, hardware platform, framework, database and/or operating system configuration to continue receiving technical support services from Oracle.

PeopleSoft and JD Edwards Release Information

Release information for PeopleSoft Enterprise and JD Edwards EnterpriseOne programs is available in the attached table titled, "[Release Types for PeopleSoft Enterprise and JD Edwards EnterpriseOne Applications](#)" (PDF).

Hyperion-Specific and Agile-Specific Support Terms

For orders placed pursuant to a Hyperion master agreement or to an Agile master agreement, the following terms apply with respect to the technical support services you have ordered.

Warranties, Disclaimers, and Exclusive Remedies

Oracle warrants that technical support services will be provided in a professional manner consistent with industry standards. You must notify Oracle of any technical support services warranty deficiencies within 90 days from performance of the defective technical support services.

FOR ANY BREACH OF THE ABOVE WARRANTIES, YOUR EXCLUSIVE REMEDY, AND ORACLE'S ENTIRE LIABILITY, SHALL BE THE REPERFORMANCE OF THE DEFICIENT TECHNICAL SUPPORT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH IN A COMMERCIALY REASONABLE MANNER, YOU MAY END THE RELEVANT TECHNICAL SUPPORT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT TECHNICAL SUPPORT SERVICES.

TO THE EXTENT PERMITTED BY LAW, THESE WARRANTIES ARE EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Liability

NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS, REVENUE, DATA, OR DATA USE. ORACLE'S MAXIMUM LIABILITY FOR ANY DAMAGES ARISING OUT OF OR RELATED TO YOUR ORDER, WHETHER IN CONTRACT OR TORT, OR OTHERWISE, SHALL BE LIMITED TO THE AMOUNT OF THE FEES YOU PAID ORACLE UNDER YOUR ORDER, AND IF SUCH DAMAGES RESULT FROM YOUR USE OF TECHNICAL SUPPORT SERVICES, SUCH LIABILITY SHALL BE LIMITED TO THE FEES

YOU PAID ORACLE FOR THE DEFICIENT TECHNICAL SUPPORT SERVICES GIVING RISE TO THE LIABILITY.

For orders placed pursuant to a Hyperion master agreement, the following terms also apply with respect to the technical support services you have ordered.

Nondisclosure

By virtue of your order, the parties may have access to information that is confidential to one another ("confidential information"). We each agree to disclose only information that is required for the performance of obligations under your order. Confidential information shall be limited to the terms and pricing under your order and all information clearly identified as confidential at the time of disclosure.

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; (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.

We each agree to hold each other's confidential information in confidence for a period of three years from the date of disclosure. Also, we each agree to disclose confidential information only to those employees or agents who are required to protect it against unauthorized disclosure. Nothing shall prevent either party from disclosing the terms or pricing under your order in any legal proceeding arising from or in connection with your order or disclosing the confidential information to a federal or state governmental entity as required by law.

Software Update License & Support

Program releases in the Premier Support phase of Oracle's product support lifecycle will receive Software Update License & Support. Software Update License & Support is the standard level for all Oracle support services and consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Tax, legal, and regulatory updates
- Upgrade scripts
- Certification with most new third-party products/versions
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests 24 hours per day, 7 days a week
- Access to OracleMetaLink, Customer Connection, eSupport Portal, BID Portal or Skywire Online Support Portal (24 x 7 web-based customer support systems), including the ability to log service requests online, unless stated otherwise
- Non-technical customer service during normal business hours
- For PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs, web-based support is provided through Customer Connection. For BEA programs, web-based support is provided through the eSupport Portal and BID Portal. For Skywire programs, web-based support is provided through the Skywire Online Support Portal. For all other Oracle programs, unless stated otherwise, web-based support is provided through OracleMetaLink.

Due to the unique constraints of the early releases of former Retek, ProfitLogic, and 360 Commerce retail applications, limited Software Update License & Support will be available for

certain releases prior to release 11. The limited Software Update License & Support will consist of:

- Program updates and fixes
- Major product and technology releases
- Assistance with service requests 24 hours per day, 7 days per week
- Access to OracleMetaLink (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Please review the Oracle Retail chart included in the "Lifetime Support Policy: Coverage for Retail Applications" (PDF) document for coverage information on your specific release.

Limited Software Update License & Support will be available for Cimmetry programs ("Cimmetry Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 9:00 A.M. to 5:00 P.M. Eastern Time of the North America region
- Ability to log service requests online using the web based form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm>
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for Crystal Ball programs ("Crystal Ball Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 5:00 P.M. Mountain Time of the North America region
- Ability to log service requests via online template located at <http://www.crystalball.com/helpdesk.html> or via telephone at 800.373.5885 (toll free in US) or 1.303.334.7599 (International)
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for the following Moniforce programs: webSensor Enterprise and webProbe ("Moniforce Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 6:00 P.M. Central European Time
- Access to OracleMetaLink (24 x 7 web-based customer support system), including the ability to log service requests online
- Non-technical customer service during local business hours

Limited Software Update License & Support will be available for BEA programs ("BEA Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- 7x24 Support Center Coverage for Severity 1 errors (Regional Time Zone)
- Assistance with service requests 24 hours per day, 7 days a week
- Access to eSupport Portal (AskBEA, Newsgroups, Case management, FAQ's, Product News and Updates, Product Documentation) and BID Portal
- Non-technical customer service during normal business hours
- Access to Customer First / Product Retirement support policy via eSupport Portal
- Ability to log service requests via email and telephone.

Limited Software Update License & Support will be available for AdminServer programs ("AdminServer Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:30 A.M. to 8:00 P.M. Eastern Time of the North America region
- Ability to log service requests via telephone at 1.800.566.5064
- Non-technical customer service during normal business hours

Limited Software Update License & Support will be available for Skywire programs ("Skywire Support"). The limited Software Update License & Support will consist of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 7:00 A.M. to 7:00 P.M. Central Time of the North America region except as follows:
 - 7:30 A.M. to 4:30 P.M. Eastern Time of the North America region for the following programs: Whitehill One, Enterprise, Elite Document Studio, XML Transport and Transform Suite
 - 9:00 A.M. to 5 P.M. GMT for the following programs: Documaker, Docuflex and PPS (EMEA and Asia Pacific only)
- Access to Skywire Online Support Portal (24 x 7 web-based customer support system)
- Ability to log service requests as follows:

Program	Online	Telephone	Email
Insbridge, Ingage, INSight, Documaker, Docuflex and PPS	http://skywiresoftware.com/Support/Support.aspx	866.4-SKYWIRE	support@skywiresoftware.com
Documaker, Docuflex and PPS (EMEA and Asia Pacific only)	http://skywiresoftware.com/Support/Support.aspx	44.0.1372.368.222	eurosupport@skywire-software.co.uk
GA, IDX and QuickView	Not available	888.486.4683	cssg@skywiresoftware.com
Whitehill One (formerly BP1), Enterprise, Elite	Not available	888.944.8344	monctonsupport@skywiresoftware.com

Document Studio, XML Transport and Transform Suite			
IStream Document Manager, IStream Publisher, IStream Communicator, Tracker and Launcher	Not available	877.363.7027 x 3225	markhamdirectsupport@skywiresoftware.com

- Non-technical customer service during normal business hours

Enterprise Linux Support Services

Effective October 25, 2006, Oracle will offer Enterprise Linux support services to customers, regardless of whether or not they are using Oracle programs. For information about the available services, please refer to the Enterprise Linux and Oracle VM Support Policies available at <http://www.oracle.com/support/collateral/enterprise-linux-support-policies.pdf>.

Oracle VM Support Services

Effective November 14, 2007, Oracle will offer Oracle VM support services to customers, regardless of whether or not they are using Oracle programs. For information about the available services, please refer to the Enterprise Linux and Oracle VM Support Policies available at <http://www.oracle.com/support/collateral/enterprise-linux-support-policies.pdf>.

Priority Service

Priority Service is available for program releases eligible to receive Premier, Extended, or Sustaining Support. Priority Service consists of:

- **Prioritization of Service Requests:** Service requests will be prioritized above service requests of the same severity level submitted by Premier Support customers
- **Service Request Response Guidelines:** Reasonable efforts will be made to respond to service requests per the following guidelines:
 - 90% of Severity 1 service requests submitted by you will be responded to within 1 hour (available 24x7)
 - 90% of Severity 2 service requests submitted by you will be responded to within 2.5 local business hours
 - 90% of Severity 3 service requests submitted by you will be responded to within the next local business day
 - 90% of Severity 4 service requests submitted by you will be responded to within the next local business day
- Time-based internal escalations for Severity 1 and Severity 2 service requests
- Designated Oracle service manager who is responsible for assisting in the management of service requests, and providing service reviews
- Priority response from Oracle's Product Development team for product bugs initiated for the resolution of service requests
- 24x7 access to a customer-specific web portal
- Quarterly service reviews
- Pre-recorded orientation session
- Priority access to Oracle-sponsored events, as made available to Priority Service customers
- Access to monthly web conference sessions featuring Oracle executives and/or Oracle product technology experts
- Quarterly live chats with senior Oracle product technology experts and/or management, available exclusively to Priority Service customers

In order to acquire Priority Service for a license set, you must acquire Software Update License & Support for that license set. If you have maintained Software Update License & Support and want to purchase Priority Service for a license set, the licenses do not need to be migrated to current license metrics to do so.

Priority Service is not subject to the Reinstatement policies stated above. Priority Service is not available for all programs. Please contact your Support Sales Representative for service availability.

Incident Server Support Package

Incident Server Support provides web-based technical support on a per server basis in packages of 10 service requests, and is available for as long as Premier Support is available for your Oracle licenses. The Incident Server Support Packages do not include updates and may not be used, purchased, or sold in conjunction with any other support offering. If you want to obtain Software Update License & Support, it will be subject to Oracle's reinstatement policies in effect at the time of reinstatement. Incident Server Support is available for the following limited product sets, across all platforms:

- Oracle Database Server Support Package: Oracle Database Enterprise Edition, Oracle Database Standard Edition, Oracle Database Standard Edition One, Partitioning, Real Application Clusters
- Oracle Application Server Support Package: Internet Application Server Enterprise Edition, Internet Application Server Standard Edition, Internet Application Server Java Edition

Incident Server Support Packages are valid for one year from the date of purchase. Any unused service request(s) expire at the end of such term. Access to *OracleMetaLink* expires at the same time the final service request is resolved. Your service request total will not be decreased by the number of service requests initiated for the resolution of a product bug. Incident Server Support includes:

- Access to *OracleMetaLink* (24x7 web-based technical support system), including the ability to log service requests online
- Access to downloadable software patches and patchsets

JDeveloper Support

JDeveloper Support is made available for Oracle JDeveloper that has been downloaded from the Oracle Technology Network after June 28, 2005. JDeveloper Support consists of:

- Assistance with service requests 24 hours per day, 7 days a week
- Access to *OracleMetaLink* (24 x 7 web-based technical support system), including the ability to log service requests online
- Non-technical customer service during normal business hours (e.g., assistance with support identification numbers, assistance with logging into *OracleMetaLink*)

Service Request Packages

Service Request Packages are made available to members of the Oracle Partner Network. Service Request Packages provide web-based technical support in packages of 10 or 25 service requests, do not include updates, and are not available for all programs. Please contact your OPN Interaction Center (<http://partner.oracle.com/>) for program availability.

Service Request Packages are valid for one year from the date of purchase. Any unused service request(s) will expire at the earlier of (i) the end of such year, or (ii) the end of your OPN

membership term if such membership is not renewed. Access to log service requests will be restricted at the same time the final service request is resolved.

Extended Support

Extended Support may be available for certain Oracle program releases after Premier Support expires. When Extended Support is offered, it is generally available for three years following the expiration of Premier Support and only for the terminal patchset release of a program.

Program releases eligible for Extended Support will receive Software Update License & Support limited to the following:

- Program updates, fixes, security alerts, and critical patch updates
- Tax, legal and regulatory updates
- Upgrade scripts
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests 24 hours per day, 7 days per week
- Access to OracleMetaLink, Customer Connection, e-Support, Customer Portal, or Customer Center Portal (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Extended Support does not include:

- Certification with new third party products/versions

Sustaining Support

Sustaining Support will be available after Premier Support expires. Program releases eligible for Sustaining Support will receive Software Update License & Support limited to the following:

- Program updates, fixes, security alerts, and critical patch updates created during the Premier Support period, and created during the Extended Support period for those customers who purchased Extended Support.
- Tax, legal, and regulatory updates created during the Premier Support period
- Upgrade scripts created during the Premier Support period
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests, on a commercially reasonable basis, 24 hours per day, 7 days a week
- Access to OracleMetaLink, Customer Connection, e-Support, Customer Portal, or Customer Center Portal (24 x 7 web-based customer support systems), including the ability to log service requests online
- Non-technical customer service during normal business hours

Sustaining Support does not include:

- New program updates, fixes, security alerts, and critical patch updates
- New tax, legal and regulatory updates
- New upgrade scripts
- Certification with new third party products/versions
- 24 hour commitment and response guidelines for Severity 1 service requests as defined in the Severity Level section below

Because program releases supported by Sustaining Support are no longer fully supported, information and skills regarding those releases may be limited. The availability of hardware systems to run such program releases may also be limited.

North American Payroll Tax Updates

North American Payroll Tax Updates is available for programs eligible to receive Sustaining Support. Customers who acquire North American Payroll Tax Updates will receive a tax year of tax updates for Oracle payroll applications.

In order to acquire North American Payroll Tax Updates, your licensed programs must be currently supported with Software Update License & Support. If you have maintained Software Update License & Support and want to acquire North American Payroll Tax Updates, the licenses do not need to be migrated to current license metrics to do so.

North American Payroll Tax Updates will be delivered through Customer Connection (for PeopleSoft Enterprise, JD Edwards EnterpriseOne and JD Edwards World programs), or through OracleMetaLink (for all other Oracle programs).

When offered, North American Payroll Tax Updates may be acquired for up to two (2) years from the availability of Sustaining Support for the applicable Oracle program release. North American Payroll Tax Updates is not subject to the Reinstatement policies stated above. North American Payroll Tax Updates is not available in all countries or for all programs. Please contact your Support Sales Representative for service availability.

Cimmetry Support

Cimmetry Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 9:00 A.M. to 5:00 P.M. Eastern Time of the North America region
- Ability to log service requests online using the web based form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm>
- Non-technical customer service during local business hours

Moniforce Support

Moniforce Support applies to technical support services for the following Moniforce programs: webSensor Enterprise and webProbe and consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 6:00 P.M. Central European Time
- Access to OracleMetaLink (24 x 7 web-based customer support system), including the ability to log service requests online
- Non-technical customer service during local business hours

Crystal Ball Support

Crystal Ball Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates

- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:00 A.M. to 5:00 P.M. Mountain Time of the North America region
- Ability to log service requests via online template located at <http://www.crystalball.com/helpdesk.html> or via telephone at 800.373.5885 (toll free in US) or 1.303.334.7599 (International)
- Non-technical customer service during local business hours

BEA Support

BEA Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- 7x24 Support Center Coverage for Severity 1 errors (Regional Time Zone)
- Assistance with service requests 24 hours per day, 7 days a week
- Access to eSupport Portal (AskBEA, Newsgroups, Case management, FAQ's, Product News and Updates, Product Documentation) and BID Portal
- Non-technical customer service during normal business hours
- Access to Customer First / Product Retirement support policy via eSupport Portal
- Ability to log service requests via email and telephone.

AdminServer Support

AdminServer Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 8:30 A.M. to 8:00 P.M. Eastern Time of the North America region
- Ability to log service requests via telephone at 1.800.566.5064
- Non-technical customer service during normal business hours

Skywire Support

Skywire Support consists of:

- Program updates, fixes, security alerts, and critical patch updates
- Major product and technology releases, which includes general maintenance releases, selected functionality releases, and documentation updates
- Assistance with service requests Monday through Friday during local business hours, excluding holidays; local business hours are 7:00 A.M. to 7:00 P.M. Central Time of the North America region except as follows:
 - 7:30 A.M. to 4:30 P.M. Eastern Time of the North America region for the following programs: Whitehill One, Enterprise, Elite Document Studio, XML Transport and Transform Suite
 - 9:00 A.M. to 5 P.M. GMT for the following programs: Documaker, Docuflex and PPS (EMEA and Asia Pacific only)
- Access to Skywire Online Support Portal (24 x 7 web-based customer support system)
- Ability to log service requests as follows:

Programs	Online	Telephone	Email
Insbridge, Ingage,	http://skywiresoftware.com	866.4-SKYWIRE	support@skywiresoftware.com

INSight, Documaker, Docuflex and PPS	com/Support/Support.aspx		
Documaker, Docuflex and PPS (EMEA and Asia Pacific only)	http://skywiresoftware.com/Support/Support.aspx	44.0.1372.366.222	eurossupport@skywire-software.co.uk
GA, IDX and QuickView	Not available	888.486.4683	cssg@skywiresoftware.com
Whitehill One (formerly BPI), Enterprise, Elite Document Studio, XML Transport and Transform Suite	Not available	888.944.8344	menctonsupport@skywiresoftware.com
IStream Document Manager, IStream Publisher, IStream Communicator, Tracker and Launcher	Not available	877.363.7027 x 3225	merkhamedirectsupport@skywiresoftware.com

- Non-technical customer service during normal business hours

A list of technical support offerings that were previously offered by Oracle, or a company acquired by Oracle, is available at <http://www.oracle.com/support/collateral/tsp-previous-offerings.pdf>. The information contained within this list consists of a description of the service offering, date when new sales of the services was eliminated, and renewal options.

The following policy for Web-Based Customer Support Systems applies to all Oracle product lines except PeopleSoft Enterprise, JD Edwards EnterpriseOne, JD Edwards World, Cimmetry, Crystal Ball, BEA, AdminServer, and Skywire programs:

OracleMetaLink is one of Oracle's five customer support web sites. Access to OracleMetaLink is governed by the Terms of Use posted on the OracleMetaLink web site, which are subject to change. A copy of these terms is available upon request. Access to OracleMetaLink is limited to your designated technical contacts. Access to OracleMetaLink is included with Software Update License & Support, Priority Service, Incident Server Support, JDeveloper Support, Extended Support, and Sustaining Support. For customers with a current Software Updates service contract, limited access to OracleMetaLink is included for patches and bug fix information.

The following policy for Web-Based Customer Support Systems applies to PeopleSoft Enterprise, JD Edwards EnterpriseOne, and JD Edwards World programs only:

Customer Connection is Oracle's second customer support web site. Access to Customer Connection is governed by the Terms of Use (PDF) posted on the Customer Connection web site at <http://www.peoplesoft.com/corp/en/login.jsp>, which are subject to change. A copy of these terms is available upon request. Access to Customer Connection is included with Software Update License & Support, Extended Support, Sustaining Support, and PeopleSoft World Support Service and is limited to your designated technical contacts.

The following policy for eSupport Portal applies to 'Classic' BEA programs only:

eSupport Portal is Oracle's third customer support web site. Access to eSupport is governed by the Terms of Use posted on the eSupport Portal web site at <http://support.bea.com>, and are subject to change. A copy of these terms is available upon request. Access to eSupport Portal is limited to your designated technical contacts. Access to eSupport Portal is included with Software Update License & Support, Extended Support, and Sustaining Support.

The following policy for BID Portal applies to 'BID' BEA programs only:

BID Portal is Oracle's fourth customer support web site. Access to BID Portal is governed by the Terms of Use posted on the BID Portal web site at <http://one.bea.com/support>, and are subject to change. A copy of these terms is available upon request. Access to BID Portal is limited to your designated technical contacts. Access to BID Portal is included with Software Update License & Support, Extended Support, and Sustaining Support.

The following policy for Skywire Online Support Portal applies to Insbridge, Ingage, and INSight programs and Documaker, Docuflex and PPS (EMEA and Asia Pacific excluded) programs only:

Skywire Online Support Portal is Oracle's fifth customer support web site. Access to Skywire Online Support Portal is governed by the Terms of Use posted on the Skywire Online Support Portal web site at <http://skywiresoftware.com/Support/Support.aspx>, and are subject to change. A copy of these terms is available upon request. Access to Skywire Online Support Portal is limited to your designated technical contacts. Access to Skywire Online Support Portal is included with Software Update License & Support.

Oracle is deeply committed to the security of its technical support services. In providing standard technical support services, Oracle will adhere to the Global Customer Support Security Practices, which are available [here](#). The Global Customer Support Security Practices are subject to change at Oracle's discretion; however, Oracle will not materially reduce the level of security specified in the Security Practices during the period for which fees for technical support have been paid.

Oracle may make available software tools (such as tools to assist in the collection and transmission of configuration data) and web-based tools (such as tools that enable Oracle, with your consent, to access your computer system) to aid in the resolution of service requests. Such tools may be used only in connection with supported program licenses, and use of the tools will be subject to any additional license and other terms provided with the tools.

Service requests for supported Cimmetry programs may be submitted by you either online using the web form available at <http://www.cimmetry.com/techsup.nsf/WebTechsupForm?OpenForm> or by telephone by dialing 1.514.735.9941. Service requests for supported Crystal Ball programs may be submitted by you either online using the template at <http://www.crystalball.com/helpdesk.html> or by telephone by dialing 1.800.373.5885 (toll free in the U.S.) or 1.303.334.7599 (International). Service requests for all other supported Oracle programs may be submitted by you online through Oracle's web-based customer support systems, by email, or by telephone. The service request severity level is selected by you and Oracle and should be based on the following severity definitions:

Severity 1

Your production use of the supported programs is stopped or so severely impacted that you cannot reasonably continue work. You experience a complete loss of service. The operation is mission critical to the business and the situation is an emergency. A Severity 1 service request has one or more of the following characteristics:

- Data corrupted
- A critical documented function is not available
- System hangs indefinitely, causing unacceptable or indefinite delays for resources or response

- System crashes, and crashes repeatedly after restart attempts

For all supported Oracle programs other than Cimmetry, Crystal Ball, Moniforce webSensor Enterprise and webProbe, reasonable efforts will be made to respond to Severity 1 service requests within one (1) hour.

For Crystal Ball programs, the Severity 1 service request definition does not apply and thus no response guidelines are available for Crystal Ball programs.

For Moniforce webSensor Enterprise and webProbe programs, reasonable efforts will be made to respond to Severity 1 service requests within one (1) business day during local business hours, excluding holidays; local business hours are Monday through Friday 8:00 A.M. to 6:00 P.M. Central European Time.

24 Hour Commitment to Severity 1 Service Requests for all supported Oracle programs other than Cimmetry, Crystal Ball, Moniforce webSensor Enterprise and webProbe, AdminServer, and Skywire programs: OSS will work 24x7 until the issue is resolved or as long as useful progress can be made. You must provide OSS with a contact during this 24x7 period, either on site or by pager, to assist with data gathering, testing, and applying fixes. You are requested to propose this severity classification with great care, so that valid Severity 1 situations obtain the necessary resource allocation from Oracle.

Severity 2

You experience a severe loss of service. Important features are unavailable with no acceptable workaround; however, operations can continue in a restricted fashion.

Severity 3

You experience a minor loss of service. The impact is an inconvenience, which may require a workaround to restore functionality

Severity 4

You request information, an enhancement, or documentation clarification regarding your software but there is no impact on the operation of the software. You experience no loss of service. The result does not impede the operation of a system.

Phone numbers and contact information can be found on Oracle's support web site at <http://www.oracle.com/support/contact.html>.

EXHIBIT 3

ADVANCED CUSTOMER SERVICES: RATES

ACS – Assisted Services	Days	Amount	Estimated Travel and Expenses
Field Engineer	31	\$58,592.00	\$10,800.00

Should you purchase the services listed in this Exhibit 3 a separate Ordering Document will be sent subsequently for execution.

EXHIBIT 4

TRAINING: RATES

For a period of 24 months from the effective date of this Agreement, Oracle University is able to provide the Oracle Training products and services at the discounted rate of 25% provided that a minimum purchase order of \$250,000 is submitted for training. Oracle University training can be ordered by Nassau County as you require, and only invoiced after actual delivery. Nassau County can purchase training products and services as listed at www.oracle.com/education under standard terms and conditions.

EXHIBIT 5

FUNCTIONALITY AND REQUIREMENTS MATRIX

Exhibit 5

**FUNCTIONALITY AND REQUIREMENTS MATRIX
WHICH INCLUDES
RESPONSE CODE INTERPETATIONS,
PRODUCT NAME CROSS-REFERENCE
AND
ORACLE FUNCTIONALITY AND REQUIREMENTS MATRIX CLARIFICATIONS**

Notes:

1. Oracle's Proposal included program not ordered in the initial purchase of Software under this Agreement; therefore are not part of this Agreement; such products include:

Real Estate Management – Real Estate Management, Enterprise Manager Grid Control – Oracle Database Enterprise Edition, SOA Suite – SOA Suite for Non Oracle Middleware, Oracle Imaging and Process Management (Stellent/Content Management) – Imaging and Process Management, PeopleSoft Directory Interface – Directory Interface, Oracle Identity Management – Identity Manager, BPEL – SAO Suite

2. The following Software is being ordered in the initial purchase but does not appear on the Functionality and Requirements Matrix (Exhibit 5) Oracle Business Intelligence Management Pack and Business Intelligence Server Administration.

Exhibit 5 Functionality and Requirements Matrix-Response Code Interpretations

Set forth below is the Fit-Gap Response code from the RFP and Oracle's interpretation that was used to complete the functional matrices:

Fit-Gap Response	Additional Comment provided by Oracle
<p>F = Fully Provided "Out-of-the-Box"</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided out of the box or through the completing of a task associated with a routine configurable area. These routine configurable areas include, but are not limited to, user-defined fields, delivered or configurable workflows, alerts or notifications, table driven setups and standard reports with no changes. These routine configurable areas would be addressed as part of any implementation and the responsibilities of performing all the tasks associated with all these routine configurable areas are the responsibility of the County or its Implementor.</p>
<p>R = Provided with Reporting Tool</p>	<p>Oracle interprets these requirements to be satisfied by the reports generated using Reporting Tools. (See the Product Name Crosswalk tab for a list of the modules that comprise Reporting Tools.) The responsibilities of performing all the tasks associated with the generation of reports are the responsibility of the County or its Implementor.</p>
<p>CO = Configuration (no changes to underlying source code)</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided through an extension to the application, the development of a new page to the application or logic added to the application through the use of PeopleTools. The responsibilities of performing all the tasks associated with configuration are the responsibility of the County or its Implementor.</p>

<p>TP = Third Party Software Required</p>	<p>Oracle's response in the "Module(s) Required to Fulfill Requirements" or "Fit-Gap Notes / Closure Recommendations (or any updated thereto) may have made mention to third party products; however, this should not be construed as a recommendation of any particular third party product provider/third party product and should the County elect to purchase any such third party products, the County must contract directly with the third party product provider for the third party product.</p>
<p>IM = Modification/Customization (change to source code)</p>	<p>The responsibilities of performing all the tasks associated with modifications/customizations are the responsibility of the County or its Implementor.</p>
<p>W = Workflow Required</p>	<p>Oracle interprets these requirements to be satisfied if the functionality is provided either through the creation of a new workflow or a significant modification to a standard workflow that is contained in the proposed product(s). The responsibilities of performing all the tasks associated with the creation of new workflows or the modification of existing workflows are the responsibility of the County or its Implementor.</p>
<p>I = Interface Required</p>	<p>The responsibilities of performing all the tasks associated with interfaces are the responsibility of the County or its Implementor.</p>
<p>CF = Custom Fields Required</p>	<p>Oracle interprets these requirements to be satisfied by the creation of a new field being added to the product using PeopleTools. The responsibilities of performing the tasks associated with the creation of a new field are the responsibility of the County or its Implementor.</p>

U = Unable to Meet Requirement

For any requirement marked as U, Oracle does not meet the requirement. Furthermore, Oracle has not provided any indication if or when a future version would meet these requirements. Oracle's response in the "Module(s) Required to Fulfill Requirements" or "Fit-Gap Notes / Closure Recommendations" (or any updated thereto) may have made mention to Oracle's modules or third party products and provide a comment to help the County understand why Oracle is unable to meet the requirement.

Exhibit 5 Functionality And Requirements Matrix-Product Name Cross-Reference

Module Names as Referenced in Matrix	Licensed Program name per Price List/Supplement	Software Version
General Ledger	Financials (PeopleSoft)	9.0
eProcurement	eProcurement (PeopleSoft)	9.0
Purchasing	Purchasing (PeopleSoft)	9.0
Strategic Sourcing	Strategic Sourcing (PeopleSoft)	9.0
eSupplier Connection	eSupplier Connection (PeopleSoft)	9.0
Supplier Contract Management	Supplier Contract Management (PeopleSoft)	9.0
Payables	Financials (PeopleSoft)	9.0
Expenses	Expenses (PeopleSoft)	9.0
Cash Management	Financials (PeopleSoft)	9.0
Grants	Grants (PeopleSoft)	9.0
Program Management	Program Management (PeopleSoft)	9.0
Project Costing	Project Costing (PeopleSoft)	9.0
Contracts	Contracts (PeopleSoft)	9.0
Billing	Financials (PeopleSoft)	9.0
Receivables	Financials (PeopleSoft)	9.0
BillPay (Pay/Bill Management)	Financials (PeopleSoft)	9.0
Asset Management	Financials (PeopleSoft)	9.0
Inventory	Inventory (PeopleSoft)	9.0
Maintenance Management	Enterprise Asset Management (PeopleSoft)	9.0
Deal Management	Treasury (PeopleSoft)	9.0
Planning and Budgeting	Planning and Budgeting (PeopleSoft)	9.0
UPK	User Productivity Kit	9.0
Real Estate Management	Real Estate Management	9.0
Hyperion Planning System 9	Hyperion Planning Plus	11.1.1
Hyperion Workforce planning	Hyperion Workforce Planning	11.1.1

Hyperion Performance Scorecard- system 9	Hyperion Performance Scorecard Plus	11.1.1
Hyperion Capital Expense planning	Hyperion Capital Asset Planning	11.1.1
HR	Human Resources (PeopleSoft)	9.0
Payroll for North America	Payroll (PeopleSoft)	9.0
Absence Management	Absence Management (PeopleSoft)	9.0
Benefits Administration	Benefits Administration (PeopleSoft)	9.0
eBenefits	Human Resources (PeopleSoft)	9.0
ePay	Payroll Interface (PeopleSoft)	9.0
ELM	Enterprise Learning Management (PeopleSoft)	9.0
eCompensation Manager	eCompensation (PeopleSoft)	9.0
eCompensation.	eCompensation (PeopleSoft)	9.0
ePerformance	ePerformance (PeopleSoft)	9.0
eProfile	Human Resources (PeopleSoft)	9.0
eProfile Manager	Human Resources (PeopleSoft)	9.0
Talent Acquisition Manager	Recruiting Solutions (PeopleSoft)	9.0
Candidate Gateway	Recruiting Solutions (PeopleSoft)	9.0
eDevelopment	Human Resources (PeopleSoft)	9.0
Time & Labor	Time and Labor (PeopleSoft)	9.0
PeopleSoft Performance Management Warehouse	Performance Management Warehouse (PeopleSoft)	9.0
Oracle BI Enterprise Edition Suite	Business Intelligence Suite Enterprise Edition Plus	10.1.3
OBIEE	Business Intelligence Suite Enterprise Edition Plus	10.1.3
Enterprise Scorecard (7.0 - 7.4)	Scorecard (PeopleSoft)	9.0
EPM Portal Pack	EPM Portal Pack (PeopleSoft)	9.0
Workforce Scorecard	Workforce Scorecard (PeopleSoft)	9.0
Supplier Rating System	Supplier Rating System (PeopleSoft)	9.0
PeopleTools	PeopleTools (included with all PeopleSoft deals)	8.49
Enterprise Portal	Enterprise Portal (PeopleSoft)	9.0

Portal	Enterprise Portal (PeopleSoft)	9.0
Human Resources Portal Pack	HRMS Portal Pack (PeopleSoft)	9.0
Financial Portal Pack	Financial Portal Pack (PeopleSoft)	9.0
Enterprise Manager Grid Control	Oracle Database - Enterprise Edition	10.2
Application Management Pack for PeopleSoft	Application Manager Pack for PeopleSoft (PeopleSoft)	8.49.0.3.0
Diagnostic Pack for Oracle DB	Diagnostic Pack for Oracle Database	10gR3
SOA Suite	SOA Suite for Non Oracle Middleware	10.1.3
Oracle Imaging and Process Management (aka Stellent or Content Management)	Imaging and Process Management	10gR3
PeopleSoft Directory Interface	Directory Interface (PeopleSoft)	8.49
Oracle Identity Management	Identity Manager	10gR3
BPEL	SOA Suite	10.1.0.2
Crystal	Crystal Reports and Crystal Enterprise (PeopleSoft)	9.00
Query	PeopleTools (included with all PeopleSoft deals)	8.49
XML Publisher (aka BI Publisher)	PeopleTools (included with all PeopleSoft deals)	8.49
System Administrator	PeopleTools (included with all PeopleSoft deals)	8.49
Archive Manager	PeopleTools (included with all PeopleSoft deals)	8.49
Data Archive Manager	PeopleTools (included with all PeopleSoft deals)	8.49
Workflow (aka Workflow Tools)	PeopleTools (included with all PeopleSoft deals)	8.49
Security Administrator	PeopleTools (included with all PeopleSoft deals)	8.49
PeopleTools Security	PeopleTools (included with all PeopleSoft deals)	8.49

Process Scheduler	PeopleTools (included with all PeopleSoft deals)	8.49
Process Monitor	PeopleTools (included with all PeopleSoft deals)	8.49
Ascential Data Stage	Performance Management Warehouse (PeopleSoft)	9.0
IBM/Ascential MetaStage	Performance Management Warehouse (PeopleSoft)	9.0
Reporting Tools	Query, nVision, SQR, XML/BI Publisher (all part of PeopleTools), OBIEE, Crystal Reports,	See individual line item
Integration Tools	Component Interface, Application Engine, Integration Broker, Application Messaging (all part of PeopleTools), BPEL	See individual line item
Application Development Tools	Application Designer (Part of PeopleTools)	See individual line item

F-FA 14	Manually assign specific asset number(s) that are generated from the third-party bar coding system.	Purchasing, Asset Management, 3rd Party Barcode Scanning						The Asset Management application provides the ability to interface to third party bar code reading devices. However, we are not including the third party hardware and software to meet this requirement. The County may work with a certified partner to meet this requirement.	
F-FA 24	Capture the market value of an individual asset.	Asset Management						Market Value can be captured using one of the user-defined Asset attributes.	
F-FA 31	Provide a useful life in whole years value.	Asset Management	CO					As defined, useful life is specified by number of months, not years. Recurrence can be used to change this to years.	
F-FA 8.02	Bar Code Number	Asset Management, 3rd Party Barcode Scanning						The Asset Management application provides the ability to interface to third party bar code reading devices. However, we are not including the third party hardware and software to meet this requirement. The County may work with a certified partner to meet this requirement.	
F-SR 41	Export reports into popular desktop applications (i.e., Microsoft Office).	All Applications							
F-SR 42	Support report definitions with user-defined data tables	All Applications							
F-IN 11.02	Track MSRP inventory items in a table whose format to include: Personal Protective Equipment	Inventory							
F-IN 18.05	Provide the following inventory costing methods, at a minimum: FIFO average	Inventory							
F-IN 21	Support 'kit' issuance for inventory items that are always linked together (e.g., light bar, MDT, gun rack, etc. for a squad car).	Purchasing, Inventory							
F-IN 22	'Kit' issuance performs an available inventory roll across all kit items prior to issuing a pick order to assemble the kit.	Purchasing, Inventory							
F-IN 23	'Kit' backorder possible on out of stock item from an overall kit.	Purchasing, Inventory							

<p>F - IN 4.06</p>	<p>Track the following information in a base inventory record with the following fields: Issued year-to-date</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>
<p>F - IN 4.16</p>	<p>Track the following information in a base inventory record with the following fields: Credit (Returned Merchandise) account number</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>
<p>F - IN 4.17</p>	<p>Track the following information in a base inventory record with the following fields: Credit Expense Number</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>
<p>F - IN 4.01</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon unit cost threshold (e.g., over \$500 is priority A)</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>	<p>Inventory</p>

All item priority code may be added via People Tools for inclusion in the cycle count process

<p>F - IN 48.02</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon sales unit volume threshold (e.g., over 12 units per year is priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>
<p>F - IN 48.03</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon nature of inventory item (e.g., syringes are priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>
<p>F - IN 48.04</p>	<p>Generate cycle count lists by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code based upon nature of inventory item (e.g., syringes are priority 'A')</p>	<p>Inventory</p>	<p>Inventory</p>	<p>CO</p>	<p>All item priority code may be added via PeopleTools for inclusion in the cycle count process</p>

F - IN 48.08	Generate cycle count list by location in the warehouse according to the following priority categories (only one category can be assigned per inventory item): Priority code assigned upon an expiration date of an inventory item (e.g., -synthase are priority/A)	Inventory	Inventory	CO	An item priority code may be added via PeopleSoft tools for inclusion in the cycle count process.	
F - IN 48.08	Prompt warehousemen to perform cycle counts based upon priority code assigned to inventory item via hard copy count sheet.	Inventory	Inventory	CO	An item priority code may be added via PeopleSoft tools for inclusion in the cycle count process.	
F - IN 49 F - IN 5.02	Support business rules for surplus disposal.	Inventory	Inventory	F		
	Inventory status categories to include: Obsolete	Inventory	Inventory	F		
F - IN 58	Generate a transaction listing, by item, over a defined date range.	Inventory	Inventory	R		
F - IN 7.01 F - IN 7.02	Inventory parts with a labor cost component. Exclude parts from a cost element (e.g., alternator)	Inventory	Inventory	CO	Inventory costs can be captured that include labor. An integration to a third party application capturing those costs would be required.	Inventory costs can be captured that include labor as a limited cost component. An integration to a third party application capturing those costs would be required.
	Inventory parts with a labor cost component. Parts built with inventoried material	Inventory	Inventory	CO	Inventory costs can be captured that include labor. An integration to a third party application capturing those costs would be required.	Inventory costs can be captured that include labor as a limited cost component. An integration to a third party application capturing those costs would be required.
F - PUR 48.08	Grant expiration date (if applicable)	Purchasing	Inventory	F	PeopleSoft does not capture the Grant Expiration Date on procurement transactions. This is scored as part of the Grant/Project profile.	PeopleSoft does not capture the Grant Expiration Date on procurement transactions. This is scored as part of the Grant/Project profile.

F-ARR-1	Drill statistics, including NSF check	Receivables, Billing Project Costing	Receivables, Billing Project Costing	F		The delivered PeopleTools can be used to create functionality that tracks revolving loan funds including associated interest and terms.
F-GR-0.00	Track revolving loan funds including associated interest and terms.	General Ledger	General Ledger	F		PeopleSoft General Ledger delivers the ability to spread costs across projects and project activities based on a variety of allocation methodologies. However, most customers enter transactions at the project/activity level and use allocations for items such as overhead allocations.
F-PR-15.00	Spread project costs in a hierarchical structure using schedule amounts			W		The delivered workflow tools can be used to create a workflow notification based on a grant application deadline.
F-PR-15.01	"Tidder" function to capture each date at the grant header level, Grant application deadline	Grants	Grants	W		The delivered workflow tools can be used to create a workflow notification based on a grant closing date.
F-PR-15.02	"Tidder" function to capture each date at the grant header level, Grant closing date	Grants	Grants	W		The delivered workflow tools can be used to create a workflow notification based on a grant reimbursement deadline.
F-PR-15.03	"Tidder" function to capture each date at the grant header level, Reimbursement deadline	Grants	Grants	W		The delivered workflow tools can be used to create a workflow notification based on a grant report deadline.
F-PR-15.04	"Tidder" function to capture each date at the grant header level, Report deadline	Grants Project Costing	Grants Project Costing	CO		The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.02	Project manager contact information	Project Costing	Project Costing	CO		The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.03	Department head	Project Costing	Project Costing	CO		The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-28.04	Unit head	Project Costing	Project Costing	F		The Project Costing application delivers user-definable fields associated with a project. The delivered PeopleTools can be used to re-label and format the user-definable fields, as needed.
F-PR-46.02	Pay vacations including overtime, sick days, holidays, etc.	Project Costing	Project Costing	F		The delivered PeopleTools can be used to create functionality that tracks revolving loan funds including associated interest and terms.

HR-HR 142	Ability to notify an employee's supervisor when a license or certification is going to expire in enough time to go through the renewal process (for positions where the license or certificate is required). Ability for a system to link positions to recruiting functionality to ensure that positions must add to create a recruitment action.	Human Resources	R						
HR-HR 22	Ability to produce required OSHA/FESH (Public Employee Safety & Health Act) logs & accident reports from data in system.	Human Resources	F						
HR-HR 280	Ability to report on equipment expiration dates (i.e., qualifications for licenses).	Human Resources	F						
HR-HR 280	Ability to flag those components requiring employer's annual re-flags or W-4s in order to maintain W-4 non-attempt status.	Human Resources	R						The delivered reporting tools enable the County to create the desired report.
HR-PAY 57	Ability to process expense reimbursements (e.g., travel) through the time & leave aspect of the HRMS system.	Human Resources	F						
HR-TA 7 HR-TA 83	Ability to incorporate sick leave usage into the generation of group schedule planning (e.g., roll call, queue).	Time and Expense Third Party, Possible Interfaces required	I						Oracle applications can work with any number of work force scheduling applications. In this case, Oracle suggests leveraging the County's existing timekeeping system and creating group schedules from that application.
HR-HR-243.00	Ability to track equipment usage by hour and assess that time with one or more subprojects.	Project Costing, Asset Management, General Ledger	F						The General Ledger allocation functionality can be used to apply indirect cost calculations to a project based on equipment usage time.
IT 1.00	System uses real-time and/or batch processing of data.	All modules	F						The Peoplesoft solution uses both real-time and batch processing of data.
IT 10.00 IT 101	Is backward compatible to Oracle 100 RAC. Report all revisions created by a single individual, or set of individuals.	All modules Query (without report writer)	R						The Peoplesoft solution is certified for both 10g and 11g Oracle databases. All software would be the easiest way to report revisions created by a specific person.
IT 104.00	Report any revision with a revision comment that contains a given text string.	All modules	R						An adhoc report would be the easiest way to report revisions created by a specific person.
IT 105.00	All location-based information conforms to the GIS standards; all GIS data is indexed by street address, assessor's parcel number or physical location.	All modules	F						Locations do conform to GIS standards. The Peoplesoft solution integrates to all of the main GIS vendors.
IT 106.00	Location indices can be GIS defined.	All modules	F						The County can accomplish this with simple configuration. Typically existing fields can be used for this purpose.
IT 11.00	Ability to generate report files in delimited, ASCII and XML format.	All modules	F						There are multiple output formats for reports.

IT 12.00	Use a Web GUI interface with ability to customize the standard look and feel through common standards CSS or XSL.	All modules						This solution was completely rewritten for the Internet back in 1999. Common standards like the ones mentioned would be used to change the GUI.	This solution was completely rewritten for the Internet back in 1999. Common standards like the ones mentioned would be used to change the GUI.
IT 13.00	Provides staff level edit to ensure validity of the data being entered into the system.	All modules							
IT 14.00	Editable on-line user help to make County-specific changes to help text, graphics.	All modules						The online help, which is placed on every page within the solution, are HTML pages which can be edited with any standard text editor.	The online help, which is placed on every page within the solution, are HTML pages which can be edited with any standard text editor.
IT 15.00	Browser compatibility IE 6 and greater, Firefox.	All modules						Current certified versions for these browsers are IE 6, 7 and Firefox 2.0.	Current certified versions for these browsers are IE 6, 7 and Firefox 2.0.
IT 17.00	Display for user inquiry the related item preceding and/or following the current item on screen, within the flow of a process. (e.g. display previous / display next).	All modules						This is standard functionality. The County can use our online help for this, but our online training tool, User Productivity Kit (UPK), is an additional change.	This is standard functionality. The County can use our online help for this, but our online training tool, User Productivity Kit (UPK), is an additional change.
IT 18.00 IT 2	On-line training and demo module included with application software. Security is required for each application with the ability to restrict levels of access by individual, role to field and function level.	All modules All modules						This is standard functionality with the Proprietary security model. The only exception is it secures down to the page level. Field level security is accomplished with configuration.	This is standard functionality with the Proprietary security model. The only exception is it secures down to the page level. Field level security is accomplished with configuration.

EXHIBIT 6

APPENDIX L – CERTIFICATE OF COMPLIANCE

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Contractor hereby certifies the following:

The responses and representations provided on this document only apply to Oracle USA, Inc. and its employees located within the United States who will provide services in accordance with a resulting contract.

1. The chief executive officer of the Contractor's parent company is:

Larry Ellison (Name)

500 Oracle Parkway, Redwood Shores, CA 94065 (Address)

1-800-ORACLE1 (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

Oracle clarifies its response by stating that its Technical Support services (on-call, as needed software support and maintenance) and Advanced Product Support services are incidental to the delivery of its software program licenses. Oracle further states that it is a large company offering support for its software products 24 hours a day, seven days a week. Support is provided from Oracle's support centers located around the world. Oracle's support centers operate according to the normal business hours and laws and regulations of their individual locations.

3. In the past five years, Contractor X has _____ has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

Oracle was cited for one violation by OSHA, issued on January 5, 2007. The citation was reclassified as a level "other" of seriousness. Oracle paid the fine and the abatement of all items has been accomplished within the required amount of time.

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action X has _____ has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

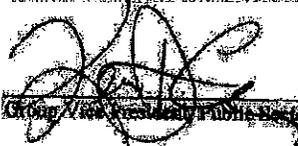
In the past five years, Oracle has been the subject of various routine administrative charges filed by current or former employees alleging potential violation of applicable federal and state laws. There are currently no such federal or state charges pending in the State of New York.

In September of 2004, the U.S. Department of Labor concluded an audit of the Oracle 401(k) Savings Plan. No action was taken by the DOL as a result of this audit; the DOL identified certain areas for remediation under ERISA, as well as the adequacy of the remedial steps taken.

- Contractor agrees to permit access by work sites within Nassau County and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of non-compliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

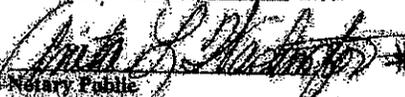
April 1, 2008
Date



Kevin Curry
Group Vice President, Public Sector

Sworn to before me this

1st day of APRIL, 2008.

 #1533800
Notary Public

MY COMMISSION EXPIRES

DECEMBER 31, 2008





Certified: --

E-72-22

Filed with the Clerk of the
Nassau County Legislature
June 17, 2022 12:11PM

NIFS ID: CQAT22000006

Capital:

Contract ID #: CQAT22000006

NIFS Entry Date: 04/26/2022

Department: County Attorney

Service: special counsel (Felix)

Term: 12/7/2021 to completion of services

Contract Delayed: X

Slip Type: New		
CRP:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: Sokoloff Stern LLP DBA: Sokoloff Stern LLP	ID#: 263392230
Main Address: 179 Westbury Avenue, Carle Pla CARLE PLACE, NY 11514	
Main Contact: LINDA KNOX	
Main Phone: (516) 334-4500	

Department:
Contact Name: Mary Nori
Address: 1 West Street Mineola, New York 11501
Phone: (516) 571-6083
Email: mnori@nassaucountyny.gov

Contract Summary

Purpose: This is a new contract with special counsel Sokoloff Stern LLP ("Counsel") to represent Police Officer Robert Psomas and Police Officer John Giovaniello in the case known as Gurlyene Felix, as Administrator for the Estate of Matthew FELIX and Gurlyene Felix Individually v. Nassau County, et al., Index No. 12-cv-676.
Method of Procurement: In April 2018, the County Attorney's Office conducted a formal Request for Qualifications ("RFQ") to identify eligible, experienced legal counsel for a broad array of legal areas, and a panel of firms ("Panel") qualified to provide legal services for the County has been established. The firm Sokoloff Stern LLP ("Counsel") has been added to the Panel. In this streamlined solicitation, a total of eight candidates qualified in the area of Section 1983 and municipal defense were solicited from the RFQ panel. Of the eight solicited, only one firm responded, Sokoloff Stern LLP. After reviewing Counsel's proposal, the evaluation committee was satisfied that Counsel possessed extensive experience providing counsel to municipalities, the requisite staff to ensure the case would be handled properly, and an overall budget comparable to proposals the County typically receives.
Procurement History: See above.

Description of General Provisions: Counsel shall represent the County and/or such other party the County may be required to defend in the case: Gurlyene Felix, as Administrator for the Estate of Matthew Felix and Gurlyene Felix Individually v. Nassau County, et al., Index No. 12-cv-676, a Civil Rights Section 1983 case which includes claims of wrongful death.
Impact on Funding / Price Analysis: The Maximum amount allowed on this contract is \$167,255.00, with an initial encumbrance of \$75,000.00
Change in Contract from Prior Procurement: N/A - this is a new contract.
Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GEN	10	1100	DE	ATGEN1100	DE502	ATGEN1100 DE502	01	\$75,000.00
TOTAL								\$75,000.00

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$75,000.00
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$75,000.00

Routing Slip

Department			
NIFS Entry	Mary Nori	05/12/2022 08:04PM	Approved
NIFS Final Approval	Daniel Gregware	05/13/2022 02:55PM	Approved
Final Approval	Daniel Gregware	05/13/2022 02:55PM	Approved
County Attorney			
Approval as to Form	Daniel Gregware	05/16/2022 04:33PM	Approved
RE & Insurance Verification	Andrew Amato	05/13/2022 03:07PM	Approved
NIFS Approval	Daniel Gregware	05/20/2022 04:33PM	Approved
Final Approval	Daniel Gregware	05/20/2022 04:33PM	Approved
OMB			
NIFS Approval	Jeff Nogid	05/20/2022 04:00PM	Approved
NIFA Approval	Irfan Qureshi	05/23/2022 12:03PM	Approved
Final Approval	Irfan Qureshi	05/23/2022 12:03PM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Robert Cleary	06/09/2022 05:15PM	Approved
DCE Compliance Approval	Robert Cleary	06/09/2022 05:15PM	Approved
Vertical DCE Approval	Arthur Walsh	06/15/2022 10:00AM	Approved
Final Approval	Arthur Walsh	06/15/2022 10:00AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/16/2022 02:23PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE OFFICE OF THE NASSAU COUNTY ATTORNEY, AND SOKOLOFF STERN LLP

WHEREAS, the County has negotiated a personal services agreement with Sokoloff Stern LLP to provide legal services, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said agreement with Sokoloff Stern LLP.

SPECIAL COUNSEL AGREEMENT

THIS AGREEMENT, (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement"), dated as of the date (the "Effective Date") that this Agreement is executed by Nassau County, is entered into by and between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the **Office of the Nassau County Attorney**, having its principal office at One West Street, Mineola, New York 11501 (the "Department"), and (ii) **Sokoloff Stern LLP**, with an office located at 179 Westbury Avenue, Carle Place, New York 11514 ("Counsel" or "Contractor").

WITNESSETH:

WHEREAS, pursuant to Nassau County Charter Section 1101 and Nassau County Administrative Code Section 22-2.8, the County Attorney has determined the need for the employment of special counsel; and

WHEREAS, the County desires to hire Counsel to perform the services described in this Agreement; and

WHEREAS, Counsel is eminently qualified and ready to provide the necessary services; and

WHEREAS, Counsel desires to perform the services described in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence on December 7, 2021, and shall terminate upon the completion of services, as hereinafter described, unless sooner terminated in accordance with the provisions of this Agreement.
2. Services. The services to be provided by Counsel under this Agreement shall consist of representing Police Officer Robert Psomas and Sergeant John Giovaniello in the case known as *Gurlyene Felix, as Administrator for the Estate of Matthew Felix and Gurlyene Felix Individually v. County of Nassau, et al.*, Index No. 12-cv-676, a Civil Rights Section 1983 case, which includes claims of wrongful death, (the "Services"). Services under this Agreement shall include, but not be limited to, motion practice; pre-trial discovery; trial; appeals; and such other Services as may be required to fully represent the Police Officer Psomas and Sergeant Giovaniello. When providing such Services, Counsel must comply with Nassau County's Litigation Management Guidelines, as may be amended (the "Guidelines"), provided under separate cover and incorporated by reference herein. Except as otherwise provided in this Agreement, such Services shall conclude no earlier than entry of a verdict or a settlement or of a court-order terminating the litigation.
3. Payment. (a) Amount of Consideration. (1) The amount to be paid to Counsel as full consideration for Counsel's Services under this Agreement, including disbursements, shall not exceed the sum of One Hundred Sixty-Seven Thousand Two Hundred Fifty-Five Dollars (\$167,255.00) ("Maximum Amount"). Compensation for professional services shall be paid at an hourly rate

according to the following fee schedule:

- (i) Partner: \$225.00
- (ii) Of Counsel: \$225.00
- (iii) Associate: \$195.00
- (iv) Paralegal: \$85.00

(2) Any appearances before the County Legislature, or any committee thereof for the purpose of the approval of this Agreement or any amendment thereto, are to be construed as part of the fee negotiation and approval process and Counsel agrees that no fee will be charged for any such appearances.

(3) Partial Encumbrance. Counsel acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement. Counsel further acknowledges that the initial encumbrance shall be Seventy-Five Thousand Dollars (\$75,000.00). Thereafter, the Department shall notify Counsel of the availability of monies, which written notice shall include the amount encumbered. Such notification shall serve as notice to proceed.

(b) Vouchers; Voucher Review, Approval and Audit. Payment shall be made to Counsel in arrears and shall be contingent upon (i) Counsel submitting a claim voucher (the "Voucher") in a form satisfactory to the County, that (a) is accompanied by a contemporaneous record of hours billed stating the person(s) performing the Services and indicating with reasonable specificity, the Services provided and the payment requested in consideration for such Services, or contains a detailed, itemized list of allowable expenses; (b) certifies that the Services rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and upon (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(c) Timing of Payment Claims. Counsel shall submit its claim no later than three (3) months following the County's receipt of the services that are the subject of the claim, and no more frequently than once a month.

(d) Expenses and Disbursement. Counsel shall be compensated within the Maximum Amount for all reasonable expenses and disbursements actually incurred, including but not limited to out-of-pocket disbursements for investigators, trial preparation services, court reporting services, interpreters, and other legitimate expenses in accordance with the Guidelines. Counsel shall obtain prior written approval from the County Attorney or his designee for all non-routine expenses and disbursements as specified in the Guidelines.

(e) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between Counsel and any funding source including the County.

(f) Payments in Connection with Termination or Notice of Termination. Unless a provision of

this Agreement expressly states otherwise, payments to Counsel following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior to termination, (ii) authorized by this Agreement to be performed, and (iii) not performed after Counsel received notice that the County did not desire to receive such services.

4. Independent Contractor. Counsel is an independent contractor of the County. Counsel shall not, nor shall any officer, director, employee, servant, agent or independent contractor of Counsel (a "Counsel Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).

5. No Arrears or Default. Counsel is not in arrears to the County upon any debt or contract and it is not in default as surety, contractor, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance with Law. (a) Generally. Counsel shall comply with any and all applicable Federal, State and local Laws, including, but not limited to those relating to conflicts of interest, human rights, a living wage, disclosure of information and vendor registration in connection with its performance under this Agreement. In furtherance of the foregoing, Counsel is bound by and shall comply with the terms of Appendix EE attached hereto and with the County's registration protocol. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, Counsel agrees as follows:

- (i) Counsel shall comply with the applicable requirements of the Living Wage Law, as amended;
- (ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Counsel has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.
- (iii) It shall be a continuing obligation of Counsel to inform the County of any material changes in the content of its certification of compliance, attached to this Agreement as Appendix L, and shall provide to the County any information necessary to maintain the certification's accuracy.

(c) Records Access. The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement remains the sole property of the County and shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. Counsel

acknowledges that Counsel Information in the County's possession may be subject to disclosure under Article 6 of the New York State Public Officer's Law ("Freedom of Information Law" or "FOIL"). In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify Counsel of such request prior to disclosure of the Information so that the Counsel may take such action as it deems appropriate.

(d) Prohibition of Gifts. In accordance with County Executive Order 2-2018, Counsel shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with Counsel on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. Counsel shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(e) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, Counsel has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where Counsel employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. Counsel shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

(f) Vendor Code of Ethics. By executing this Agreement, the Contractor hereby certifies and covenants that:

- (i) The Contractor has been provided a copy of the Nassau County Vendor Code of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
- (ii) All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
- (iii) All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
- (iv) The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;
- (v) The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement; and
- (vi) The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement.

7. Ownership of Records. All County Information provided to Counsel by the County shall remain the property of the County. All reports, documents or information created by Counsel on

behalf of the County shall be deemed the property of the County. Upon the County's request, completion of Services, or termination of this Agreement, all such County Information, reports, documents or information shall be returned to the County.

8. Service Standards. Regardless of whether required by Law: (a) Counsel shall, and shall cause Counsel Agents to, conduct his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.

(b) Counsel shall deliver Services under this Agreement in a professional manner consistent with the best practices of the legal profession. Counsel shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Counsel Agents to obtain and maintain, all approvals, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

9. No Conflict Representation. During the term of this Agreement, Counsel shall not represent any party whose interest is or may be adverse to or in conflict with, or whose interest may appear to be adverse to or in conflict with the County, nor shall it commence any action or proceeding, or act as Counsel in any action or proceeding that is adverse to the County or any County officer or employee, without the County's prior written consent.

10. Indemnification; Defense; Cooperation. (a) Counsel shall indemnify, defend and hold harmless the County, the Department and its officers, employees, and agents (the "Indemnified Parties") from and against any and all liabilities arising out of or in connection with performance under this Agreement by Counsel or a Counsel Agent, provided, however, that the Counsel shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.

(b) Counsel shall, upon the County's demand and at the County's direction, promptly and diligently defend, at Counsel's own risk and expense, any and all suits, actions, or proceedings which may be brought or instituted against one or more Indemnified Parties for which Counsel is responsible under this Section, and, further to Counsel's indemnification obligations, Counsel shall pay and satisfy any judgment, decree, loss or settlement in connection therewith.

(c) Counsel shall, and shall cause Counsel Agents to, cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or proceeding in connection with this Agreement, including the acts or omissions of Counsel and/or a Counsel Agent in connection with this Agreement.

(d) The provisions of this Section shall survive the termination of this Agreement.

11. Insurance. (a) Types and Amounts. Counsel shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" as an additional insured and have a minimum single combined limit of liability of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit of liability of not less than One Million Dollars (\$1,000,000.00) per claim (iii) compensation insurance for the benefit of the Counsel's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iv) such additional insurance as the County may from time to time specify.

(b) Acceptability; Deductibles; Subcontractors. All insurance obtained and maintained by Counsel pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed to do business in New York State and acceptable to the County, and which is (ii) in form and substance acceptable to the County. Counsel shall be solely responsible for the payment of all deductibles to which such policies are subject. Counsel shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by Counsel under this Agreement.

(c) Delivery; Coverage Change; No Inconsistent Action. Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the insurance coverage required by this Agreement shall be delivered to the Department. Not less than thirty (30) days prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, Counsel shall provide written notice to the Department of the same and deliver to the Department renewal or replacement certificates of insurance. Counsel shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take or omit to take any action that would suspend or invalidate any of the required coverages. The failure of Counsel to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of Counsel to maintain the other required coverages shall be deemed a material breach of this Agreement upon which the County reserves the right to consider this Agreement terminated as of the date of such failure.

12. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

13. Termination. (a) Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to Counsel, (ii) for "Cause" by the County immediately upon the receipt by Counsel of written notice of termination, (iii) upon mutual written Agreement of the County and the Counsel, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

(b) By Counsel. This Agreement may be terminated by Counsel if performance becomes impracticable through no fault of the Counsel, where the impracticability relates to Counsel's ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by Counsel delivering to the commissioner or other head of the Department (the "Commissioner"), at least sixty (60) days prior to the termination date (or a shorter period if sixty days' notice is impossible), a notice stating (i) that Counsel is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the Counsel's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.

(c) Counsel Assistance upon Termination. In connection with the termination or impending termination of this Agreement the Counsel shall, regardless of the reason for termination, take all actions reasonably requested by the County (including those set forth in other provisions of this Agreement) to assist the County in transitioning Counsel's responsibilities under this Agreement. The provisions of this subsection shall survive the termination of this Agreement.

14. Accounting Procedures; Records. The Contractor shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles and, if the Contractor is a non-profit entity, must comply with the accounting guidelines set forth in the applicable provisions of the Code of Federal Regulations, 2 C.F.R. Part 200, as may be amended. Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, any other governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

15. Limitations on Actions and Special Proceedings against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief, Counsel shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. Counsel shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of Counsel shall allege that the above-described actions and inactions preceded Counsel's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

16. Work Performance Liability. The Counsel is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Counsel is using a Counsel Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Counsel Agent has been approved by the County.

17. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

18. Notices. Any notice, request, demand or other communication required to be given or

made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name Counsel shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to Counsel, to the attention of the person who executed this Agreement on behalf of Counsel at the address specified above for Counsel, or in each case to such other persons or addresses as shall be designated by written notice.

19. All Legal Provisions Deemed Included; Severability; Supremacy. (a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

(d) Each party has cooperated in the negotiation and preparation of this Agreement. Therefore, in the event that construction of this Agreement occurs, it shall not be construed against either party as drafter.

20. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

21. Administrative Service Charge. Counsel agrees to pay the County an administrative service charge of Five Hundred Thirty-three Dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Numbers 201-2001, 128-2006, and 153-2018. The administrative service charge shall be due and payable to the County by Counsel upon signing this Agreement.

22. Executory Clause. Notwithstanding any other provision of this Agreement:

(a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all requisite County and other governmental approvals have been obtained, including, if required, approval by the County Legislature and (ii) this Agreement has been executed by the County Executive (as defined in

this Agreement).

(b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

(c) NIFA Approval. County contracts with a Maximum Amount equal to or greater than Fifty Thousand Dollars (\$50,000.00) require the approval of the Nassau County Interim Finance Authority ("NIFA") during the control period declared by NIFA on January 26, 2011, with limited exceptions. NIFA also requires that when the aggregate of contracts issued to a particular vendor for the provision of similar services is equal to or greater than \$50,000 in any 12-month period they be subject to NIFA approval even if each individual contract is less than \$50,000. NIFA has advised the County that NIFA's approval is subject, among other things, to the following limitation: payment to Counsel under this Agreement for Services, including related expenses and disbursements, rendered prior to the later of (i) the date of NIFA approval or (ii) full execution of the Agreement (such date, the "Approval Date") shall not exceed the sum of Fifty Thousand Dollars (\$50,000.00). Counsel therefore acknowledges that charges incurred over Fifty Thousand Dollars (\$50,000.00) prior to the Approval Date shall not be approved by NIFA, and shall not be paid by the County, unless NIFA makes an exception to its policy. Accordingly, to mitigate against exposure, Counsel shall provide the following notice to the Department:

- (A) If Counsel anticipates incurring costs in excess of Fifty Thousand Dollars (\$50,000.00) prior to the Approval Date, Counsel shall provide written notice to the Department at least Forty-five (45) days prior to the date on which Counsel anticipates reaching the Fifty Thousand Dollar (\$50,000.00) cap.
- (B) If Counsel has reached or anticipates reaching the Fifty Thousand Dollar (\$50,000.00) cap prior to the Approval Date, and in less than Forty-five (45) days, Counsel shall provide the Department with immediate written notice.

Upon receipt of such notice, the Department will review and advise Counsel of the Department's intended course of action, which, in appropriate cases as determined by the Department, may include seeking a waiver from NIFA.

23. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, Counsel and the County have executed this Agreement as of the Effective Date.

SOKOLOFF STERN LLP

By: 

Name: Steven C. Stern

Title: Managing Partner

Date: January 25, 2022

NASSAU COUNTY

By: 

Name: _____

Title: ~~Acting~~ County Attorney

Date: May 9, 2022

NASSAU COUNTY

By: _____

Name: _____

Title: County Executive

Deputy County Executive

Date: _____

PLEASE EXECUTE IN BLUE INK

Appendix EE

Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

- (c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
- (d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.
- (e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.
- (f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

- (g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.
- (h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.
- (i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.
- (j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.
- (k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.
- (l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:
 - a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.
 - b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful,

the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.

- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrators award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

- (m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement

or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.
- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County

Contractor that are passed onto the M/WBE.

- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), Counsel hereby certifies the following:

1. The chief executive officer of Contractor is:

Steven C. Stern _____ (Name)
179 Westbury Avenue, Carle Place, NY 11514 _____ (Address)
(516) 334-4500 _____ (Telephone Number)

2. The Contractor agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the Contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such Contractor establishes to the satisfaction of the Department that at the time of execution of this Agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor

3. In the past five years, Contractor _____ has X has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Contractor, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has X has not been commenced against or relating to the Contractor in connection with federal, state, or local laws regulating payment of wages or

5. Contractor agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

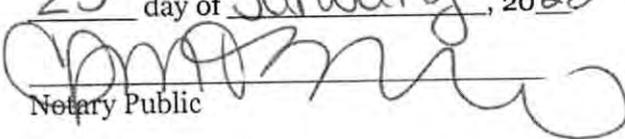
I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

January 25, 2022
Dated


Signature of Chief Executive Officer

Steven C. Stern
Name of Chief Executive Officer

Sworn to before me this

25th day of January, 2022

Notary Public

MARICELA RODRIGUEZ
Notary Public, State of New York
No. 01RO6315962
Qualified in Nassau County
Commission Expires December 8, 2022



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Sokoloff Stern LLP

2. Amount requiring NIFA approval: \$167,255.00

Amount to be encumbered: \$75,000.00

Slip Type: New

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: to 12/7/2021 to completion of services

Has work or services on this contract commenced? Yes

If yes, please explain: ongoing litigation

4. Funding Source:

General Fund (GEN)	X	Grant Fund (GRT)
Capital Improvement Fund (CAP)		Other
Federal %	0	
State %	0	
County %	100	

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

This is a new contract with special counsel Sokoloff Stern LLP ("Counsel") to represent Police Officer Robert Psomas and Police Officer John Giovaniello in the case known as Gurlyene Felix, as Administrator for the Estate of Matthew FELIX and Gurlyene Felix Individually v. Nassau County, et al., Index No. 12-cv-676.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

05/23/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Sokoloff Stern LLP

CONTRACTOR ADDRESS: 179 Westbury Avenue, Carle Place, New York 11514

FEDERAL TAX ID #: [REDACTED]

Instructions: Please check the appropriate box (“”) after one of the following roman numerals and provide all the requested information.

I. **The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids.** The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. **The contractor was selected pursuant to a Request for Proposals.**
The Contract was entered into after a written request for proposals was issued on _____ [date]. Potential proposers were made aware of the availability of the RFP by advertisement in _____ [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on _____ [date]. _____ [state #] proposals were received and evaluated. The evaluation committee consisted of: _____
_____ (list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. **This is a renewal, extension or amendment of an existing contract.**

The contract was originally executed by Nassau County on _____ [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after _____ [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**

X B. In April 2018, the County Attorney's Office conducted a formal Request for Qualifications ("RFQ") to identify eligible, experienced legal counsel for a broad array of legal areas, and a panel of firms ("Panel") qualified to provide legal services for the County has been established. The firm Sokoloff Stern LLP ("Counsel") has been added to the Panel. In this streamlined solicitation, a total of eight candidates qualified in the area of Section 1983 and municipal defense were solicited from the RFQ panel. Of the eight solicited, only one firm responded, Sokoloff Stern LLP. After reviewing Counsel's proposal, the evaluation committee was satisfied that Counsel possessed extensive experience providing counsel to municipalities, the requisite staff to ensure the case would be handled properly, and an overall budget comparable to proposals the County typically receives.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.

B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).

C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

- D.** Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. **This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated.** Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

VII. **This is a public works contract for the provision of architectural, engineering or surveying services.** The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

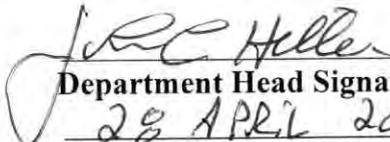
Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. **Participation of Minority Group Members and Women in Nassau County Contracts.** The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. **Department MWBE responsibilities.** To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. **Vendor will not require any sub-contractors.**

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.



Department Head Signature
28 APRIL 2022
Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.

Compt. form Pers./Prof. Services Contracts: Rev. 01/18



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Brian Sokoloff [BSOKOLOFF@SOKOLOFFSTERN.COM]

Dated: 06/01/2022 11:02:36 AM

Vendor: Sokoloff Stern LLP

Title: Partner

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 02/08/2022

1) Proposer's Legal Name: Sokoloff Stern, LLP

2) Address of Place of Business: 179 Westbury Avenue

City: Carle Place State/Province/Territory: NY Zip/Postal Code: 11514

Country: US

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Rent If other, please provide details:

4) Dun and Bradstreet number: 026181799

5) Federal I.D. Number: ██████████

6) The proposer is a: Other (Describe) Limited Liability Partnership

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:
In a building with corporate offices of another tenant, Vincent's Clam Bar.

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?

YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any
sanction imposed as a result of judicial or administrative proceedings with respect to any professional license
held?

YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable
federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES NO If yes, provide details for each such year. Provide a detailed response to all
questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the
questionnaire.

17) Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly
state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict
of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

No conflict exists.

(ii) Any family relationship that any employee of your firm has with any County public servant that may
create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau
County.

No conflict exists.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a
conflict of interest in acting on behalf of Nassau County.

No conflict exists.

- b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

When every new file is opened, (a) computer-check is done to compare the affiliated parties with all names affiliated with prior matters handled by the firm; and (b) every partner is consulted to review their matters for potential conflict.

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

- i) Date of formation;

11/13/2008

- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

Brian S. Sokoloff, Managing Partner, 69-35 Bell Blvd., Bayside, NY 11364
Steven C. Stern, Managing Partner, 18 Gregory Court, East Northport NY 11731

No individuals with a financial interest in the company have been attached..

- iii) Name, address and position of all officers and directors of the company. If none, explain.

There are no officers in this partnership.

No officers and directors from this company have been attached.

- iv) State of incorporation (if applicable);

NY

- v) The number of employees in the firm;

17

- vi) Annual revenue of firm;

3500000

- vii) Summary of relevant accomplishments

Please see proposal.

- viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

13

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

Please see proposal.

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company County of Putnam
Contact Person Jennifer S. Bumgarner, County Attorney
Address 48 Gleneida Avenue
City Carmel State/Province/Territory NY
Country US
Telephone (845) 808-1150
Fax #
E-Mail Address jennifer.bumgarner@putnamcountyny.gov

Company Village of Port Chester
Contact Person Anthony M. Cerreto, Village Attorney
Address 222 Grace Church Street
City Port Chester State/Province/Territory NY
Country US
Telephone (914) 939-5208
Fax #
E-Mail Address TCerreto@portchesterny.com

Company Town of East Hampton
Contact Person John Jilnicki, Town Attorney
Address 159 Pantigo Road
City East Hampton State/Province/Territory NY
Country US
Telephone (631) 324-8787
Fax #
E-Mail Address jjilnicki@ehamptonny.gov

I, Steven C. Stern , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Steven C. Stern , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Sokoloff Stern LLP

Electronically signed and certified at the date and time indicated by:
Steven Stern [SSTERN@SOKOLOFFSTERN.COM]

Managing Partner
Title

02/08/2022 12:11:11 PM
Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Steven Stern
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: [REDACTED]

Business Address: 179 Westbury Avenue
City: Carle Place State/Province/Territory: NY Zip/Postal Code: 11514
Country: US
Telephone: (516) 334-4500

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	<u>11/13/2008</u>
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

50% ownership interest

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

179 Westbury Avenue, LLC

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Steven C. Stern , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Steven C. Stern , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

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Sokoloff Stern LLP

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Steven C. Stern [SSTERN@SOKOLOFFSTERN.COM]

Managing Partner

Title

04/05/2022 12:59:02 PM

Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Brian S. Sokoloff
Date of birth: [REDACTED]
Home address: [REDACTED]
City: [REDACTED] State/Province/Territory: [REDACTED] Zip/Postal Code: [REDACTED]
Country: [REDACTED]

Business Address: 179 Westbury Avenue
City: Carle Place State/Province/Territory: NY Zip/Postal Code: 11514
Country: US
Telephone: (516) 334-4500

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: US
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	<u>11/13/2008</u>
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?
YES NO If Yes, provide details.
50% ownership interest

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?
YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?
YES NO If Yes, provide details.
179 Westbury Avenue, LLC and President of United Veterans Mutual Housing No. 2 Corporation a/k/a Bell

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever

initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you

been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Brian S. Sokoloff , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Brian S. Sokoloff , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Sokoloff Stern LLP

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Brian Sokoloff [BSOKOLOFF@SOKOLOFFSTERN.COM]

Partner

Title

04/05/2022 12:53:04 PM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Sokoloff Stern LLP

Address: 179 Westbury Avenue

City: Carle Place State/Province/Territory: NY Zip/Postal Code: 11514

Country: US

2. Entity's Vendor Identification Number: [REDACTED]

3. Type of Business: Partnership (specify) _____

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded Consultant's Contractors and Vendor's Disclosure form - additional information addendum.docx

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

Brian S. Sokoloff, Managing Partner, 69-35 Bell Blvd., Bayside, NY 11364
Steven C. Stern, Managing Partner, 18 Gregory Court, East Northport NY 11731

1 File(s) uploaded Consultant's Contractor's and vendor's disclosure form addendum, question 5.docx

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

None

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

n/a

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

n/a

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

n/a

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:

Brian Sokoloff [BSOKOLOFF@SOKOLOFFSTERN.COM]

Dated: 06/01/2022 11:03:32 AM

Title: Partner

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

**COUNTY OF NASSAU
CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM**

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

Brian S. Sokoloff, Managing Partner, [REDACTED]
Steven C. Stern, Managing Partner, [REDACTED]
Adam I. Kleinberg, Partner, [REDACTED]

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

Brian S. Sokoloff, Managing Partner, [REDACTED]
Steven C. Stern, Managing Partner, [REDACTED]

CONSULTANT'S, CONSTRUCTOR'S, AND VENDOR'S DISCLOSURE FORM

QUESTION 5:

List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partner/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

1. Brian S. Sokoloff, [REDACTED]
2. Steven C. Stern, [REDACTED]
3. Adam I. Kleinberg, [REDACTED]
4. Kiera J. Meehan, [REDACTED]
5. Leo Dorfman, [REDACTED]
6. Mark Radi, [REDACTED]



CERTIFICATE OF INSURANCE COVERAGE
DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

PART 1. To be completed by NYS disability and Paid Family Leave benefits carrier or licensed insurance agent of that carrier

1a. Legal Name & Address of Insured (use street address only)
Sokoloff Stern, LLP
179 Westbury Avenue
Carle Place, NY 11514
1b. Business Telephone Number of Insured
1c. Federal Employer Identification Number of Insured or Social Security Number
2. Name and Address of Entity Requesting Proof of Coverage
Nassau County
Office of the County Attorney
1 West Street - Room 200
Mineola, NY 11501
3a. Name of Insurance Carrier
The Standard Life Insurance Company of New York
333 Westchester Avenue, West Building, Suite 300
White Plains, New York 10604
3b. Policy Number of Entity Listed in Box "1a"
649410
3c. Policy effective period
1/1/21 to 12/31/23

4. Policy provides the following benefits:
A. Both disability and Paid Family Leave benefits.
B. Disability benefits only.
C. Paid Family Leave benefits only.
5. Policy covers:
A. All of the employer's employees eligible under the NYS Disability and Paid Family Leave Benefits Law.
B. Only the following class or classes of employer's employees:

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has NYS disability and/or Paid Family Leave benefits insurance coverage as described above.

Date Signed 04/5/22 By Wendy Alagna
Telephone Number 971-321-7886 Name and Title Wendy Alagna, Account Specialist

IMPORTANT: If Boxes 4A and 5A are checked, and this form is signed by the insurance carrier's authorized representative or NYS Licensed Insurance Agent of that carrier, this certificate is COMPLETE. Mail it directly to the certificate holder.
If Box 4B, 4C or 5B is checked, this certificate is NOT COMPLETE for purposes of Section 220, Subd. 8 of the NYS Disability and Paid Family Leave Benefits Law. It must be emailed to PAU@wcb.ny.gov or it can be mailed for completion to the Workers' Compensation Board, Plans Acceptance Unit, PO Box 5200, Binghamton, NY 13902-5200.

PART 2. To be completed by the NYS Workers' Compensation Board (Only if Box 4B, 4C or 5B have been checked)

State of New York
Workers' Compensation Board
According to information maintained by the NYS Workers' Compensation Board, the above-named employer has complied with the NYS Disability and Paid Family Leave Benefits Law (Article 9 of the Workers' Compensation Law) with respect to all of their employees.
Date Signed By
Telephone Number Name and Title

Please Note: Only insurance carriers licensed to write NYS disability and Paid Family Leave benefits insurance policies and NYS licensed insurance agents of those insurance carriers are authorized to issue Form DB-120.1. Insurance brokers are NOT authorized to issue this form.



Additional Instructions for Form DB-120.1

By signing this form, the insurance carrier identified in Box 3 on this form is certifying that it is insuring the business referenced in Box "1a" for disability and/or Paid Family Leave benefits under the New York State Disability and Paid Family Leave Benefits Law. The insurance carrier or its licensed agent will send this Certificate of Insurance Coverage (Certificate) to the entity listed as the certificate holder in Box 2.

The insurance carrier must notify the above certificate holder and the Workers' Compensation Board within 10 days IF a policy is cancelled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from coverage indicated on this Certificate. (These notices may be sent by regular mail.) Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in Box 3c, whichever is earlier.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This Certificate may be used as evidence of a NYS disability and/or Paid Family Leave benefits contract of insurance only while the underlying policy is in effect.

Please Note: Upon the cancellation of the disability and/or Paid Family Leave benefits policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Insurance Coverage for NYS disability and/or Paid Family Leave Benefits or other authorized proof that the business is complying with the mandatory coverage requirements of the NYS Disability and Paid Family Leave Benefits Law.

DISABILITY AND PAID FAMILY LEAVE BENEFITS LAW

§220. Subd. 8

(a) The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in employment as defined in this article, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand and twenty-one, the payment of family leave benefits for all employees has been secured as provided by this article. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any disability benefits to any such employee if so employed.

(b) The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in employment as defined in this article and notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits and after January first, two thousand eighteen, the payment of family leave benefits for all employees has been secured as provided by this article.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/12/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Affinity 14 Cliffwood Ave , Suite 310 Matawan, NJ 07747	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : CNA INSURANCE COMPANIES	20443
INSURED Sokoloff Stern, LLP 179 Westbury Avenue Carle Place NY 11514	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG	\$
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$
A	Lawyers Professional Liability			425223686	11/10/2021	11/10/2022	Each Claim	\$ 5,000,000
							Aggregate	\$ 5,000,000
							Deductible	\$ 5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Office of the Nassau County Attorney Municipal Transactions Bureau One West Street Mineola NY 11501	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/28/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements(s).

PRODUCER Keystone Risk Partners LLC 604 East Baltimore Pike Media PA, 19063	CONTACT NAME:	
	PHONE (A/C, No, Ext): 888-473-6398	FAX (A/C, No):
INSURED Extensis IV, Inc. L/C/F Sokoloff Stern, LLP (Sokoloff Stern, LLP) 900 US HWY 9 North, 3rd Floor Woodbridge, NJ 07095	E-MAIL ADDRESS: Risk@ExtensisGroup.com	
	INSURERS AFFORDING COVERAGE	NAIC#
	INSURER A: Indemnity Insurance Company of North America - CHUBB	43575
	INSURER B: American Guarantee & Liability - Zurich	26247
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			Not Applicable			EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS-COMP/OP AGG	\$
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			Not Applicable			COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
B	X UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS MADE X DED X RETENTION \$ 10,000			UMB 5499247-08	09/30/2021	09/30/2022	EACH OCCURRENCE	\$ 0.00
							AGGREGATE	\$ 10,000,000.00
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N (Mandatory in NH) If yes, describe under <input type="checkbox"/> DESCRIPTION OF OPERATIONS below		N/A	C70032661	09/30/2021	09/30/2022	X WC STATUTORY LIMITS OTH-ER	
							E.L. EACH ACCIDENT	\$ 1,000,000.00
							E.L. DISEASE-EA EMPLOYEE	\$ 1,000,000.00
							E.L. DISEASE-POLICY LIMIT	\$ 1,000,000.00

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks, Schedule, if more space is required)

// Re: Legal Representation

CERTIFICATE HOLDER 206386 Nassau County Attorney's Office One West Street Mineola NY, 11501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Jay Peichel
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BRUCE A. BLAKEMAN
County Executive



THOMAS A. ADAMS
County Attorney

**COUNTY OF NASSAU
OFFICE OF THE COUNTY ATTORNEY**

TO: Robert Cleary
Director of Procurement Compliance

FROM: Daniel Gregware
Deputy County Attorney

DATE: April 25, 2022

SUBJECT: Delay Memo – Sokoloff Stern LLP

The purpose of this memo is to explain the delay with processing a new contract between the County and Sokoloff Stern LLP (“Counsel”), the special counsel firm selected to represent Police Officer Robert Psomas and Police Officer John Giovaniello in the case known as *Gurlyene Felix, as Administrator for the Estate of Matthew Felix and Gurlyene Felix Individually v. County of Nassau, et al.*, Index No. 12-cv-676, a Civil Rights Section 1983 case, which includes claims of wrongful death (the “Services”).

The contract services commenced on December 7, 2021. The drafting of this contract was assigned on January 18, 2022, and the contract was sent to Counsel on January 19, 2022. The disclosure forms were completed and insurance certificates were uploaded by Counsel on April 5, 2022. My office then began packaging and uploading the contract package for the requisite County approvals.

I trust this memorandum satisfies your inquiry, however, please do not hesitate to contact this office should you have any additional questions.

A handwritten signature in cursive script, appearing to read "D Gregware".

DANIEL GREGWARE
Deputy County Attorney



Certified: --

E-73-22

Filed with the Clerk of the Nassau County
Legislature on June 20, 2022 1:04pm

NIFS ID: CLPK22000006

Capital:

Contract ID #: CQPK19000023-05

NIFS Entry Date: 06/17/2022

Department: Parks

Service: Advertising

Term: from 03/01/2020 to 02/28/2025

Contract Delayed: X

Slip Type: Amendment		
CRP:		
Time Extension:		
Addl. Funds:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	No
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: Ed Moore Advertising	ID#: 112396029
Main Address: 10 Village drive westdix hills, NY 11746	
Main Contact: Joseph kenny	
Main Phone: (631) 667-5525	

Department:
Contact Name: Linda Barker
Address: Administration Bldg. Eisenhower Park East Meadow, NY 11554
Phone: (516) 572-0238
Email: ContractRoutingParks@nassaucountyny.gov

Contract Summary

Purpose: Amended Term and Amended Payment: Amendment 1 extends the term until February 28, 2025 and the maximum amount in the Original agreement (attached CQPK19000023) shall be increased from \$450,000 by \$1,800,000 to \$2,250,000.
Method of Procurement: Contract (copy attached) CQPK19000023 already in place since 3/1/20
Procurement History: Contract (copy attached) CQPK19000023 already in place since 3/1/20
Description of General Provisions: Providing advertising, including, but not limited to print, radio, tv, and internet advertising in order to aid the tourism, travel and hospitality industries in Nassau County (i.e. parks, beaches, museums, entertainment venues) that were negatively impacted by the COVID-19 pandemic.
Impact on Funding / Price Analysis: ESARP3104 DE500 \$600,000. Maximum amount being increased by \$1,800,000. New

total maximum amount of \$2,250,000. Encumbering \$600,000 at this time.

Change in Contract from Prior Procurement: n/a

Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
ARP	30	3104	DE	ESARP3104	DE500	ESARP3104 DE500	05	\$600,000.00
TOTAL								\$600,000.00

Additional Info	
Blanket Encumbrance Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$0.00
Federal	\$600,000.00
State	\$0.00
Capital	\$0.00
Other	\$0.00
Total	\$600,000.00

Routing Slip

Department			
NIFS Entry	Linda Barker	06/17/2022 06:06PM	Approved
NIFS Final Approval	Linda Barker	06/17/2022 06:11PM	Approved
Final Approval	Linda Barker	06/17/2022 06:11PM	Approved
County Attorney			
Approval as to Form	Daniel Gregware	06/20/2022 09:49AM	Approved
RE & Insurance Verification	Andrew Amato	06/20/2022 09:49AM	Approved
NIFS Approval	Daniel Gregware	06/20/2022 09:54AM	Approved
Final Approval	Daniel Gregware	06/20/2022 09:54AM	Approved
OMB			
NIFS Approval	Sanju Jacob	06/20/2022 08:08AM	Approved
NIFA Approval	Irfan Qureshi	06/20/2022 09:37AM	Approved
Final Approval	Irfan Qureshi	06/20/2022 09:37AM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Robert Cleary	06/20/2022 10:46AM	Approved
DCE Compliance Approval	Robert Cleary	06/20/2022 10:46AM	Approved
Vertical DCE Approval	Edward Powers	06/20/2022 11:08AM	Approved
Final Approval	Edward Powers	06/20/2022 11:08AM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/20/2022 12:43PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending
Legal Approval			Pending

Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AMENDMENT TO A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE COUNTY DEPARTMENT OF PARKS, RECREATION & MUSEUMS, AND ED MOORE ADVERTISING AGENCY, INC.

WHEREAS, the County has negotiated an amendment to a personal services agreement with Ed Moore Advertising Agency, Inc. to provide advertising and assist in the development and implementation of a promotional and event marketing plan for the Department of Parks, Recreation & Museums, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said amendment to an agreement with Ed Moore Advertising Agency, Inc.

AMENDMENT NO. 1

AMENDMENT (together with any appendices or exhibits attached hereto, this "Amendment") dated as of the date (the "Effective Date") that this Amendment is executed by Nassau County, between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting for and on behalf of the County Department of Parks, Recreation & Museums, having its principal office at Administration Building, Eisenhower Park, East Meadow, New York 11554 (the "Department"), and (ii) Ed Moore Advertising Agency, Inc., having its principal office at 10 Village Drive West, Dix Hills, New York 11746 (the "Contractor").

W I T N E S S E T H:

WHEREAS, pursuant to County contract number CQPK19000023 between the County and Contractor, executed on behalf of the County on March 13, 2020 (the "Original Agreement"), the Contractor provides advertising and assists in the development and implementation of a promotional and event marketing plan for the Department, which services are more fully described in the Original Agreement (the services contemplated by the Original Agreement, the "Services"); and

WHEREAS, the term of the Original Agreement is from March 1, 2020 until February 28, 2023, unless sooner terminated in accordance with the terms of the Original Agreement; provided that the County may renew the Original Agreement under the same terms and conditions for one (1) additional two (2) year period (the "Original Term"); and

WHEREAS, the maximum amount that the County agreed to pay the Contractor for Services under the Original Agreement, as full compensation for the Services, was One Hundred Fifty Thousand Dollars (\$150,000.00) per year for a cumulative maximum total of Four Hundred Fifty Thousand Dollars (\$450,000.00) (not including the two (2) year renewal period) (the "Maximum Amount"); and

WHEREAS, the County has received Coronavirus Local Fiscal Recovery Funds ("CLFRF") that was received and established pursuant to Subtitle M of Title IX of the American Rescue Plan Act of 2021 ("ARPA");

WHEREAS, aid to tourism, travel, and hospitality industries is an enumerated eligible use of CLFRF monies under ARPA; and

WHEREAS, the County desires to utilize a portion of the CLFRF monies it has received to add funding to the Original Agreement to aid the tourism, travel, and hospitality industries in the County by advertising and marketing the leisure and hospitality sector including, but not limited to, parks, beaches, museums, concert and entertainment venues events, travel accommodations, and other tourist destinations in the County; and

WHEREAS, the County further desires to exercise the two (2) year renewal option available under the Original Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment, the parties agree as follows:

1. Renewal of Term. The Original Agreement shall be renewed and thereby extended by two (2) years, so that the termination date of the Original Agreement, as amended by this Amendment (the "Amended Agreement"), shall be February 28, 2025, subject to earlier termination as provided for under the Amended Agreement.

2. Payment. (a) Maximum Amount. The Maximum Amount in the Original Agreement shall be increased by One Million Eight Hundred Thousand Dollars (\$1,800,000.00) (the "Amendment Maximum Amount"), so that the maximum amount that the County shall pay to the Contractor as full consideration for all Services provided under the Amended Agreement shall be Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) (the "Amended Maximum Amount"). The Amendment Maximum Amount shall be payable in accordance with the terms of the Original Agreement and is allocated and further subject to the following terms:

- (i) One Million Five Hundred Thousand Dollars (\$1,500,000.00) of the Amendment Maximum Amount consists of CLFRF funds (the "CLFRF Funds"). Use of CLFRF Funds is subject to Contractor's compliance with the attached Exhibit A and Section 3 below. All CLFRF Funds must be obligated by December 31, 2024.
- (ii) Three Hundred Thousand Dollars (\$300,000.00) of the Amendment Maximum Amount consists of non-CLFRF monies, or in other words, monies from non-CLFRF sources of funding. The Three Hundred Thousand Dollars (\$300,000.00) of non-CLFRF monies authorized under this Amendment together with the Maximum Amount authorized under the Original Agreement total Seven Hundred Fifty Thousand Dollars (\$750,000.00) of non-CLFRF monies now authorized under this Amended Agreement (cumulatively, "Non-CLFRF Funds"). Upon approval of this Amendment, Non-CLFRF Funds are no longer subject to a per year dollar cap and may be used as deemed appropriate by the Department at any time during the term of the Amended Agreement.

(b) CLFRF Funds. The Contractor acknowledges that the County will be using CLFRF Funds and Non-CLFRF Funds to pay the Contractor for Services to be performed under the Amended Agreement. As such, the Contractor must ensure it receives direction from the Department as to whether its Services are being paid with CLFRF Funds or Non-CLFRF Funds to ensure compliance with all CLFRF and related ARPA requirements.

(c) Partial Encumbrance. The Contractor acknowledges that the County will partially encumber funds to be applied toward the Amendment Maximum Amount throughout the term of the Amended Agreement. The Contractor further acknowledges that the encumbrance that will be approved upon execution of this Amendment is Six Hundred Thousand Dollars (\$600,000.00) of CLFRF Funds. Thereafter, the Department will notify the Contractor of the availability of additional monies, which notice will include the amount encumbered and indicate whether they are CLFRF Funds or Non-CLFRF Funds. Such notification shall serve as notice to proceed.

3. Compliance with Law. (a) Generally. In addition to the Compliance with Law provisions contained in the Original Agreement, with respect to CLFRF Funds, the Contractor shall comply with all applicable federal laws governing CLFRF monies and ARPA, including, but not limited to, such requirements contained in Exhibit A, the United States Department of the Treasury's Final Rule with respect to use of ARPA and CLFRF monies, and other compliance and reporting guidance detailing permissible uses and other requirements with respect to CLFRF monies ("CLFRF Guidance"). Further, without limiting the generality of the forgoing, with respect to CLFRF Funds, the Contractor shall comply with the following requirements:

- (i) The Contractor is subject to a single audit or program specific audit pursuant to 2 C.F.R. 200.501(a) when the Contractor spends \$750,000 or more in federal awards during their fiscal year to the extent such CLFRF Funds payable under this Amendment is considered a federal award;
- (ii) The CLFRF Funds are subject to 2 C.F.R. 200.303 regarding internal controls;
- (iii) The CLFRF Funds are subject to 2 C.F.R. 200.330 through 200.332 regarding monitoring and management;
- (iv) The CLFRF Funds are subject to 2 C.F.R. Part 200 Subpart F regarding audit requirements;
- (v) The CLFRF Funds are subject to applicable provisions of 2 C.F.R. 200 Subpart E Cost Principles.
- (vi) Subcontracts, if any, shall contain a provision making them subject to all of the provisions stipulated in the Amended Agreement, including, but not limited to, 2 C.F.R. 200.303, 2 C.F.R. 200.330-332, 2 C.F.R. 200.501(a), and 2 C.F.R. Part 200 Subpart F and Exhibit A;
- (vii) Hatch Act. Contractor shall comply with the provisions of the Hatch Act of 1939 (Chapter 15 of Title V of the U.S.C.) (the "Hatch Act") limiting the political activities of public employees, as it relates to the programs funded. Employees of a Contractor may also be subject to the Hatch Act if the statutes through which the Contractor derives their federal funding, including without limitation any applicable ARPA rules, contains a provision stating that employees of the recipient organizations are deemed to be public employees for purposes of the Hatch Act;
- (viii) Nondiscrimination. The Contractor shall comply with all federal, state, and local statutory, regulatory and constitutional non-discrimination provisions. Further details regarding applicable CLFRF federal non-discrimination provisions can be found in the attached Exhibit A and local non-discrimination provisions in the Appendix EE attached to the Original Agreement;
- (ix) Conflict of Interest. By executing this Amendment, the Contractor warrants that it is in compliance with applicable federal, state and local conflict of interest regulations and requirements, including but not limited to full compliance with the provisions of the Nassau County Vendor Code of Ethics. The Contractor shall maintain written standards of conduct covering conflicts of interest and governing the actions of its employees

engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract; and

- (x) With respect to any conflict between any such federal law and the terms of this Amended Agreement and/or the provisions of any non-federal law, except as otherwise required under federal law, the more stringent requirement shall control.
- (xi) CLFRF Funds may only be used for eligible activities as described under the CLFRF Guidance and the provisions of this Amended Agreement. The County reserves the right to pursue any remedies against the Contractor for Contractor's failure to comply with CLFRF Guidance or the terms contained in this Amended Agreement, included, but not limited to, the return of any CLFRF Funds paid to the Contractor under this Amended Agreement.

4. Full Force and Effect. All the terms and conditions of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect and govern the relationship of the parties for the term of the Amended Agreement.

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

ED MOORE ADVERTISING AGENCY, INC.

By: Christine Kenny
Name: Christine Kenny
Title: Pres
Date: 6/17/22

NASSAU COUNTY

By: _____
Name: _____
Title: County Executive
 Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK

EXHIBIT A

**SUPPLEMENT OF FEDERALLY REQUIRED CONTRACT PROVISIONS PURSUANT
TO THE AMERICAN RESCUE PLAN ACT**

Contractor shall comply with these supplementary conditions (the "Supplementary Conditions") and, with respect to a contract for which any portion of the funding is derived from CLFRF monies made available by the County to the Contractor, shall: (1) attach these Supplementary Conditions to any such contract entered into between Contractor and a subcontractor or agreement entered into between Contractor and a lower-tiered grantee/contractor; (2) require that all Contractor subcontractors attach these Supplementary Conditions to their subcontracts; and (3) require all Contractor subcontractors to require their sub-subcontractors to attach these Supplementary Conditions in all lower-tiered sub-subcontracts. When these Supplementary Conditions are attached to any such contract, references herein to "County" shall be deemed to refer to the party seeking products and/or services, and references to "Contractor" shall be deemed to refer to the party providing products and/or services, and references to the "Agreement" or "agreement" or "Contract" or "contract" shall be deemed to refer to the agreement between such contracting parties.

Notwithstanding anything to the contrary in the Agreement, except as expressly provided under the terms of these Supplementary Conditions, the terms of these Supplementary Conditions shall be deemed to control in the event of a conflict with other provisions contained in the Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any County requests that would cause the County to be in violation of these Supplementary Conditions.

SUPPLEMENTARY CONDITIONS

The following terms and conditions apply to the Agreement and any other agreement for which any portion of the funding is derived from American Rescue Plan Act of 2021 (“ARPA”) funds.

GENERAL CONDITIONS

1. **PROVISIONS REQUIRED BY LAW DEEMED INSERTED.** Each and every provision of law and clause required by law to be inserted in the Agreement and/or these Supplementary Conditions, including, but not limited to all federal laws, regulations, executive orders, policies, procedures, and directives applicable to the receipt of funding from the Coronavirus State and Local Fiscal Recovery Fund (“CLFRF”), shall be deemed to be inserted herein and the Agreement and Supplementary Conditions shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Agreement and/or Supplementary Conditions shall forthwith be supplemented to make such insertion or correction.
2. **STATUTORY AND REGULATORY COMPLIANCE.** Contractor shall comply with all laws and regulations applicable to the ARPA funds, including but not limited to the applicable Office of Management and Budget Circulars, which may impact the administration of ARPA funds and/or set forth certain cost principles, including the allowability of certain expenses.
3. **BREACH OF CONTRACT TERMS.** The County reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of the Agreement, in instances where the Contractor or any of its subcontractors violate or breach any Agreement term. If the Contractor or any of its subcontractors violate or breach any Agreement term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by these Supplementary Conditions and the Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.
4. **ADMINISTRATIVE, COST, AUDIT AND PROGRAM REQUIREMENTS.** The Contractor must comply with the most recent version (unless a specific version is noted) of the Administrative Requirements, Cost Principles, and Audit requirements, and to the extent necessary cooperate and maintain information and documentation to allow County to comply with the applicable regulations governing use of the CLFRF funds, including, but not limited to, 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Failure to do so may result in disallowance of costs upon audit. The Contractor, and, if applicable, subcontractors, shall only use CLFRF funds for eligible CLFRF activities as described under subsection (c)(1) of Section 603 of Title VI of the Social Security Act, as added by Section 9901 of CLFRF, Section 35(b) of the ARPA Interim Final Rule (and final rule when effective), and all other applicable laws and regulations governing the use of CLFRF funds.

5. RECORDS AND REPORTING REQUIREMENTS. The Contractor shall establish and maintain complete records, including accurate books, records, documents, accounts, financial records, supporting documents, statistical records, and all other evidence and records pertinent to performance of work done for the County under the Agreement (the "Records") consistent with generally accepted bookkeeping practices. The Contractor shall retain the Records in accordance with Section 16 below. The County and any person or entity authorized to conduct an examination shall have access to the Records during normal business hours at an office of the Contractor within the County of Nassau or, if no such office is available, at a mutually agreeable and reasonable venue within the County of Nassau, for the term specified above for the purposes of inspection, auditing and copying. The County shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform the County in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the County's right to discovery in any pending or future litigation. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by the County. The Contractor shall cooperate with all County efforts to comply with CLFRF related requirements and regulations pertaining to recordkeeping and reporting.

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the County in any resulting invention in accordance with 37 C.F.R. 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 U.S. Treasury.

7. DEBARMENT AND SUSPENSION. The Agreement is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such the Contractor is required to verify that the Contractor and none of its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor must comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction (e.g., subcontract) it enters into. This certification is a material representation of fact relied upon by the County. If it is later determined that the Contractor did not comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, in addition to remedies available to the County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Contractor agrees to comply with the requirements of 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C throughout the period of the Agreement. The Contractor must be registered with SAM.gov in accordance with applicable regulations. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

8. CONFLICTS OF INTEREST. The Contractor shall notify the County as soon as possible if the Agreement or any aspect related to the anticipated work under this Agreement raises an

actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Contractor shall explain the actual or potential conflict in writing in sufficient detail so that the County is able to assess such actual or potential conflict. The Contractor shall provide the County any additional information necessary for the County to fully assess and address such actual or potential conflict of interest. The Contractor shall accept any reasonable conflict mitigation strategy employed by the County, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict. If requested by the County, Contractor shall sign a certification affirming that it has no conflict of interest arising from performance of work on a specific task.

9. SUBCONTRACTING. The Contractor represents to the County that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under the Agreement. The Contractor will include these Supplementary Conditions in every subcontract issued by it so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

10. ASSIGNABILITY. The Contractor shall not assign any interest in the Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the County.

11. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the County and their agents and employees from and against any and all claims, actions, suits, charges, and judgments arising from or related to the negligence or willful misconduct of the Contractor in the performance of the services called for in the Agreement.

12. TERMINATION. If the Agreement does not include termination provisions elsewhere, the following termination provisions apply:

A. **TERMINATION FOR CAUSE (Applicable to contracts exceeding \$10,000).** If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner his obligations under the Agreement, or if the Contractor shall violate any of the covenants, agreements, or stipulations of the Agreement, the County shall thereupon have the right to terminate the Agreement by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Contractor under the Agreement shall, at the option of the County, become the County's property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Agreement by the Contractor, and the County may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the County from the Contractor is determined.

B. **TERMINATION FOR CONVENIENCE (Applicable to contracts exceeding \$10,000).** The County may terminate the Agreement at any time by giving at least ten (10) days' notice in

writing to the Contractor. If the Agreement is terminated by the County as provided herein, the Contractor will be paid for the time provided and expenses incurred up to the termination date.

13. LOBBYING (Applicable to Agreements exceeding \$100,000). The Contractor certifies, to the best of its knowledge and belief, that:

A. No federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Grantees shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

14. BONDING REQUIREMENTS (Applicable to construction and facility improvement contracts exceeding \$100,000). The Contractor shall comply with New York State bonding requirements, unless they have not been approved by the U.S. Treasury Department or other applicable federal agency, in which case the Contractor shall comply with the following minimum bonding requirements:

A. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of its bid, execute such contractual documents as may be required within the time specified.

B. A performance bond on the part of the Contractor for 100 percent of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the Contractor's obligations under such contract.

C. A payment bond on the part of the Contractor for 100 percent of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

15. AUDIT / ACCESS TO RECORDS. The County, U.S. Treasury Department, the Comptroller General of the United States, the Office of the Nassau County Comptroller, pertinent federal agencies, and other designated entities, or any of their duly authorized representatives, shall have, at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the Contractor which are directly pertinent to the Agreement, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions. Such audits may include review of the Contractor's accounting, financial, and reporting practices to determine compliance with the Agreement and reporting requirements; maintenance of accurate and reliable original accounting records in accordance with governmental accounting standards as well as generally accepted accounting principles; and specific compliance with allowable cost and expenditure documentation standards prescribed by applicable federal, State, and County guidelines. The Contractor agrees to provide the above referenced entities or their authorized representatives access to construction or other work sites pertaining to the work being completed under the Agreement. The foregoing is not intended to limit the County's right to audit and/or access Contractor records that may be provided under the Agreement.

16. MAINTENANCE/RETENTION OF RECORDS. Contractor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement (collectively, the "Records") (i) for three (3) years from the time of closeout of ARPA funds to the County that are applicable to the Agreement or for the period provided in other applicable laws and program requirements, such as 2 C.F.R. Part 200, (ii) for six (6) years after the closeout of the Agreement, (iii) for the minimum retention period that may provided under the Agreement, or (iv) as long as required by state law, whichever may be longer.

17. COPYRIGHT. Any creative or literary work developed or commissioned by the Contractor with ARPA funding provided by the County under the Agreement shall become the property of the County, entitling the County to assert a copyright therein, unless the parties have expressly agreed otherwise in a written instrument signed by them or if the ARPA funding provisions provide otherwise.

A. If the County shares its right to copyright such work with the Contractor, the County and the U.S. Treasury Department reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use: (a) the copyright in any work developed using ARPA funding provided by the County under the Agreement; and (b) any rights of copyright to which the Contractor, sub-Contractor, or a contractor purchases ownership with ARPA funding support provided by the County under the Agreement.

B. The Contractor shall submit one copy of all reports and publications resulting from the Agreement to the County within thirty (30) calendar days of completion. Any document generated pursuant to the ARPA funding must contain the following language:

“This project was supported by ARPA funding administered by the County of Nassau, New York and the U.S. Department of the Treasury. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the County of Nassau, New York or the U.S. Department of the Treasury.”

18. COUNTY SEAL, LOGO, AND FLAGS. The Contractor shall not use the County seal(s), logos, crests, or reproductions of flags or likenesses of County agency officials without specific County pre-approval.

19. NO OBLIGATION BY FEDERAL GOVERNMENT. The Federal Government is not a party to the Agreement or these Supplementary Conditions and is not subject to any obligations or liabilities to the County, Contractor, or any other party pertaining to any matter resulting from the Agreement.

20. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to the Agreement.

21. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

A. The Contractor and/or applicable subcontractor is prohibited from obligating or expending loan or grant funds to:

1. procure or obtain;
2. extend or renew a contract to procure or obtain; or
3. enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115–232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

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.

B. In implementing the prohibition under Public Law 115–232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

C. The Contractor and/or applicable subcontractor’s attention is directed to Public Law 115–232, section 889 for additional information.

D. The Contractor and/or applicable subcontractor’s attention is directed to 2 CFR § 200.471.

22. DOMESTIC PREFERENCES FOR PROCUREMENTS.

A. As appropriate and to the extent consistent with law, the Contractor and applicable subcontractors should, to the greatest extent practicable under a Federal award, provide a preference 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). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

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.

CIVIL RIGHTS AND DIVERSITY PROVISIONS

23. SMALL AND MINORITY FIRMS, WOMEN’S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS. The Contractor will comply with the small and minority firms, women’s business enterprise, and labor surplus area requirements as set forth at 2 C.F.R. Part 200. The Contractor will use its best efforts to afford small businesses, minority business enterprises, and women’s business enterprises the maximum practicable opportunity to participate

in the performance of the Agreement. As used in these Supplementary Conditions, the terms "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended (15 U.S.C. § 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans, Asian-Americans, and American Indians. The County may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

The Contractor will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include:

- A. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- B. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- E. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

24. TITLES VI AND VIII OF THE CIVIL RIGHTS ACT OF 1964 AND EXECUTIVE ORDER 11063. The Contractor shall comply with the provisions of Titles VI and VIII of the Civil Rights Act of 1964 and with Executive Order 11063. No person shall, on the grounds of race, color, religion, sex, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. No person shall, on the grounds of race, color, religion, sex, or national origin, be discriminated against in the sale, rental, or financing of dwellings. To the extent that any such sale, lease or other transfer of land shall occur, Contractor, in undertaking its obligation to carry out the program assisted hereunder, will not itself so discriminate.

25. SECTION 504 OF THE REHABILITATION ACT OF 1973 AND THE AMERICANS WITH DISABILITIES ACT OF 1990. The Contractor shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as amended, and any applicable regulations, and with the Americans with Disabilities Act of 1990 (42 U.S.C. § 126), as amended, and any applicable regulations. The Contractor agrees that no qualified individual with handicaps shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or

otherwise be subjected to discrimination under any program or activity that receives federal financial assistance.

26. AGE DISCRIMINATION ACT OF 1975. The Contractor shall comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), as amended, and any applicable regulations. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

27. NONDISCRIMINATION. The Contractor shall comply with all federal, state, and local statutory, regulatory and constitutional non-discrimination provisions. Except as otherwise provided under 41 CFR Part 60, if the Agreement meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3, the Contractor shall comply with and must include in each non-exempt subcontract the following 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":

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 this section, 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 these Supplementary Conditions or with any of the said rules, regulations, or orders, the Agreement 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 (A) and the provisions of paragraphs (A) through (H) 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.

With respect to construction contracts and subcontracts exceeding \$10,000, The Contractor shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967; Executive Order 11478 of August 8, 1969; Executive Order 12107 of December 28, 1978; Executive Order 12086 of October 5, 1978; and as supplemented in Department of Labor regulations (41 C.F.R. Part 60). Contractor shall include the following specifications, which are required pursuant to 41 C.F.R. 60-4.3 in all Federal and federally assisted construction contracts in excess of \$10,000 to be performed in geographical areas designated by the Director (as such term is defined below) pursuant to and as referenced in 41 C.F.R. 60-4.6 and in construction subcontracts in excess of \$10,000 necessary in whole or in part to the performance of nonconstruction Federal contracts and subcontracts

covered under the Executive Order 11246. For the purposes of the Equal Opportunity Construction Contract Specifications and Clause below, the term "Construction Work" means the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.

Standard Federal Equal Employment Opportunity Construction Contract Specifications for Contracts and Subcontracts in Excess of \$10,000. (Federal Notice Required by 41 C.F.R. 60-4.3)

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which the Agreement resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the Contractor or any subcontractor at any tier, subcontracts a portion of the work involving any Construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which the Agreement resulted.

3. If the Contractor is participating (pursuant to 41 C.F.R. § 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and

to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7 a through p of these specifications. The goals set forth in the solicitation from which the Agreement resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered Construction contractors performing Construction Work in geographical areas where they do not have a Federal or federally assisted Construction contract shall apply the minority and female goals established for the geographical areas where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

- c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.
- d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
- e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.
- f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where Construction Work is performed.
- g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of Construction Work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other contractors and subcontractors with whom the Contractor does or anticipates doing business.
- i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
- j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.
- k. Validate all tests and other selection requirements where there is an obligation to do so under 41 C.F.R. Part 60-3.

- l. Conduct, at least annually, an inventory and evaluation of at least all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
- m. Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.
- n. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
- o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female Construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
- p. Conduct a review, at least annually, of all supervisor's adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the Program are reflected in the contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, sexual orientation, gender identity, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and

cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 C.F.R. § 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other areas residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

28. CERTIFICATION OF NONSEGREGATED FACILITIES (Applicable to construction contracts exceeding \$10,000). The Contractor certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the nondiscrimination clause of these Supplementary Conditions.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and washrooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The Contractor further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts

exceeding \$10,000 which are not exempt from the provisions of the nondiscrimination clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

29. SECTION 503 OF THE REHABILITATION ACT OF 1973 (Applicable to contracts exceeding \$10,000). The Contractor shall comply with section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

A. The Contractor will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

1. Recruitment, advertising, and job application procedures;
2. Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
3. Rates of pay or any other form of compensation and changes in compensation;
4. Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
5. Leaves of absence, sick leave, or any other leave;
6. Fringe benefits available by virtue of employment, whether or not administered by the Contractor;
7. Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
8. Activities sponsored by the Contractor including social or recreational programs; and
9. Any other term, condition, or privilege of employment.

B. The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973.

C. In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973.

D. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The Contractor must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the Contractor may have the notice read to a visually

disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).

E. The Contractor will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

F. The Contractor will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the Rehabilitation Act of 1973, as amended, 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 Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

LABOR PROVISIONS

30. COPELAND "ANTI-KICKBACK" ACT (Applicable to all construction or repair contracts). Salaries of personnel performing work under the Agreement shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; 18 U.S.C. § 874; and 40 U.S.C. § 3145) as supplemented by Department of Labor regulations (29 C.F.R. Part 3). The Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under the Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

31. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (Applicable to contracts exceeding \$100,000 that involve the employment of mechanics or laborers). The Contractor shall comply with 40 U.S.C. §§ 3702 and 3704 of the Contract Work Hours and Safety Standards Act, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). All laborers and mechanics employed by contractors or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, and the contractors and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable federal laws and regulations pertaining to labor standards.

32. DAVIS-BACON ACT AND OTHER LABOR COMPLIANCE (Applicable to construction contracts exceeding \$2,000 when required by federal program legislation). The

Contractor shall comply with the Davis Bacon Act (40 U.S.C. §§ 3141 to 3144, and 3146 to 3148) as supplemented by Department of Labor regulations (29 C.F.R. Part 5), and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as they apply to the performance of the Agreement.

All laborers and mechanics employed by contractors or subcontractors, including employees of other governments, on construction work assisted under the Agreement, and subject to the provisions of the Federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act. The Contractor shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the County and Secretary of Labor for review upon request.

If Contractor is engaged under a contract in excess of \$2,000 for construction, renovation, or repair work financed in whole or in part with assistance provided by the County, Contractor agrees, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, to comply and to cause all subcontractors engaged under such contracts to comply with federal requirements adopted by the County pertaining to such contracts and with the applicable requirements of the Department of Labor under 29 C.F.R. Parts 1, 3, 5, and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is to relieve Contractor of its obligation, if any, to require payment of the higher wage. Contractor shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

ENVIRONMENTAL PROVISIONS

33. ENERGY EFFICIENCY. The Contractor shall comply with mandatory standards and policies relating to energy efficiency which are contained in the New York State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163, 89 Stat. 871).

34. SOLID WASTE DISPOSAL. Pursuant to 2 C.F.R. § 200.323, Contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. 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.

35. ENVIRONMENTAL PROTECTION LAWS.

If the Agreement is in excess of \$150,000, the Contractor shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q), Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, Environmental Protection Agency regulations (provisions of 40 CFR Part 50 and 2 CFR Part 1532 related to the Clean Air Act and Clean Water Act), and all other applicable environmental laws that may exist now or in the future. Violations must be reported to the U.S. Treasury and the Regional Office of the Environmental Protection Agency (EPA). The Contractor shall include this provision in all subcontracts in excess of \$150,000.

CONTRACT FOR SERVICES

THIS AGREEMENT, made as of the date this agreement is last executed by the County (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement"), between (i) Nassau County, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the County Department of Parks, Recreation & Museums, having its principal office at Administration Building, Eisenhower Park, East Meadow, NY 11554 (the "Department"), and (ii) Ed Moore Advertising Agency, Inc., having its principal address at 10 Village Drive West, Dix Hills, NY 11746 (the "Contractor").

WITNESSETH:

WHEREAS, the County has received funding from the State of New York (the "State") pursuant to State Tax Law §1202-q and appropriated said funds to the Department in accordance with said law in order to improve and advance the marketability of cultural and historic attractions located in the County;

WHEREAS, the services to be performed pursuant to this Agreement are within the intent and purview of State Tax Law 1202-q;

WHEREAS, in order to procure said services, the Department issued Request for Proposals ("RFP") #PK0211-1909, issued February 11, 2019; and

WHEREAS, the RFP provided for an Agreement term of three (3) years with the possibility of renewing for two (2) years; and

WHEREAS, the Contractor was selected based upon its proposal, including consideration of its experience and expertise; and

WHEREAS, the County desires to hire the Contractor to perform the services described in this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence on March 1, 2020 and shall terminate on February 28, 2023, unless sooner terminated as provided for herein. The Department may, in its sole discretion, renew the term of this agreement, on the same terms and conditions for one (1) two (2) year period.

2. Services. The services to be provided by the Contractor under this Agreement shall consist of assisting in the development and implementation of a promotional and event marketing plan for the Department and providing advertising, including, but not limited to print, radio and internet advertising for the Nassau County Events, per example as described in Attachment "A". Contractor acknowledges that all monies paid under the

terms of this contract are only used for advertising, and that the Department must approve the placement of all advertising. Contractor receives a commission from the entity wherein such advertising is placed.

3. Payment. (a) Amount of Consideration. The maximum amount to be paid to the Contractor as full consideration for the services under this Agreement shall be One Hundred Fifty Thousand Dollars (\$150,000.00) per year. This amount is inclusive of any and all expenses, including, travel.

(b) Vouchers; Voucher Review, Approval and Audit. All Payments shall be made in accordance with Section 3(a) above and shall be contingent upon (i) the Contractors submitting Vouchers in a form satisfactory to the County that: (a) states with reasonable specificity the services to be provided and the payment requested as consideration for such services, (b) certifies that the services to be rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(c) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between the parties and any funding source including the County.

(d) Payments in Connection with Termination or Notice of Termination. Unless a provision of this Agreement expressly states otherwise, payments to the Contractor following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior to termination, (ii) authorized by this Agreement to be performed, and (iii) not performed after the Contractors received notice that the County did not desire to receive such services.

(e) Partial Encumbrance. The Contractor acknowledges that the County will partially encumber funds to be applied toward the Maximum Amount throughout the term of this Agreement. The Contractor further acknowledges that there shall be no initial encumbrance under this Agreement. Thereafter, the Department will notify the Contractor of the availability of monies, which notice shall include the amount encumbered. Such notification shall serve as notice to proceed.

5. No Arrears or Default. The Contractor is not in arrears to the County upon any debt or contract and it is not in default as surety, Contractor, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance With Law. (a) Generally. The Contractor shall comply with any and all applicable Federal, State and local Laws. In furtherance of the foregoing, the Contractor is bound by and shall comply with the terms of the County's vendor registration protocol. As used in this Agreement the word "Law" includes any and all

statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-2006, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, the Contractor agrees as follows:

- (i) Contractor shall comply with the applicable requirements of the Living Wage Law, as amended;
- (ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, the occurrence of which shall be determined solely by the County. Contractor has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.
- (iii) It shall be a continuing obligation of the Contractor to inform the County of any material changes in the content of its certification of compliance, attached as Appendix L, and shall provide to the County any information necessary to maintain the certification's accuracy.

(c) Records Access. The parties acknowledge and agree that all records, information, and data ("Information") acquired in connection with performance or administration of this Agreement shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. The parties acknowledge that Information in the County's possession may be subject to disclosure under Section 87 of the New York State Public Officer's Law. In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify the parties of such request prior to disclosure of the Information so that the parties may take such action as it deems appropriate.

(d) Prohibition of Gifts. In accordance with County Executive Order 2-2018, the Contractor shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Contractor on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Contractor shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(e) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2018, the Contractor has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Contractor employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Contractor shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

7. Minimum Service Standards. Regardless of whether required by Law:

(a) The Contractor shall conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property.

(b) The Contractor shall deliver services under this Agreement in a professional manner consistent with the best practices of the industry in which the Contractor operates.

8. Indemnification; Defense; Cooperation. (a) Contractor shall be responsible for and shall indemnify and hold harmless the County, the Department and its officers, employees, agents, volunteers and representatives (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), arising out of or in connection with any acts or omissions of the Contractor, regardless of whether due to negligence, fault, or default, including Losses in connection with any threatened investigation, litigation or other proceeding or preparing a defense to or prosecuting the same; provided, however, that the Contractor shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.

(b) The Contractor shall, at the County's demand and at the County's direction, promptly and diligently defend, at the Contractor's own risk and expense, any and all suits, actions, or legal proceedings which may be brought or instituted against one or more Indemnified Parties, on any such claim, demand or cause of action in connection with this Agreement and Contractor shall pay and satisfy any judgment or decree which may be rendered against the indemnified Parties in any suite, action or other legal proceeding; and Contractor shall pay for any and all damages to the property of the Indemnified Parties, for loss or theft of such property, done or caused by the Contractor.

(c) Contractor hereby (i) assumes all risk, danger and injury arising out of or in connection with this Agreement and (ii) releases the County, its officers, employees, and agents from and against any and all liabilities, losses, costs, expenses and damages arising out of or in connection with this Agreement. Without limiting the generality of the foregoing, Contractor agrees it will not, by reason hereof, make any claim, demand, or application for any right or privilege applicable to an officer or employee of the County, including but not limited to worker's compensation coverage, unemployment insurance benefits, social security coverage, or employee retirement membership or credit.

9. Insurance. (a) Types and Amounts. The Contractor shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" its officials, employees, volunteers, agents, volunteers and representatives as an additional insured and have a minimum single combined limit of liability of not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit liability of not less than two million dollars (\$2,000,000) per occurrence and two million dollars (\$4,000,000) aggregate coverage, (iii) compensation insurance for the benefit of the Contractor's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iv) such additional insurance as the County may from time to time specify. A waiver of subrogation is granted in favor of the County of Nassau.

(b) Workers' Compensation: In the event that the Permittee engages, or intends to engage employees for the use, maintenance or repair of the permitted area covered by this Permit, Permittee will furnish a certificate of current Worker's Compensation insurance to cover all such personnel.

10. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

11. Termination. (a) Generally. This Agreement may be terminated (i) for any reason by the County upon thirty (30) days' written notice to the Contractor (ii) for "Cause" by the County immediately upon the receipt by the Contractor of written notice of termination, (iii) upon mutual written agreement of the County and the Contractor, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

12. Limitations on Actions and Special Proceedings Against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief the Contractor shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. The Contractor shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of the Contractor shall allege that the above-described actions and inactions preceded the Contractor's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

13. Work Performance Liability. The Contractor is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Contractor is using a Contractor Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Contractor Agent has been approved by the County.

14. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

15. Notices. Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name the Contractor shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to the Contractor, to the attention of the person who executed this Agreement on behalf of the Contractor at the address specified above for the Contractor, or in each case to such other persons or addresses as shall be designated by written notice.

16. All Legal Provisions Deemed Included; Severability; Supremacy. (a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

17. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

18. Administrative Service Charge. Administrative Service Charge. The Contractor agrees to pay the County an administrative service charge of five hundred thirty-three Dollars (\$533.00) for the processing of this Agreement pursuant to Ordinance Number 74-1979, as amended by Ordinance Numbers 201-2001, 128-2006, and 153-2018. The administrative service charge shall be due and payable to the County by the Contractor upon signing this Agreement.

19. Executory Clause. Notwithstanding any other provision of this Agreement:

(a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all County approvals have been obtained, including, if required, approval by the County Legislature, and (ii) this Agreement has been executed by the County Executive (as defined in this Agreement).

(b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

20. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

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{REMAINDER OF PAGE INTENTIONALLY LEFT BLANK}

IN WITNESS WHEREOF, the Contractor and the County have executed this Agreement as of the date first above written.

ED MOORE ADVERTISING AGENCY, INC.

By: Christine A. Kenny
Name: Christine A. Kenny
Title: V.P.
Date: 6/24/19

NASSAU COUNTY

By: _____
Name: _____
Title: County Executive
(or) _____ Chief Deputy County Executive
(or) _____ Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK

STATE OF NEW YORK)
 SUFFOLK)ss.:
COUNTY OF MASSACHUSETTS)

On the 24th day of June in the year 2017 before me personally came CHRISTINE A. KEENE to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of SUFFOLK; that he or she is the VICE PRESIDENT of ED MORE ADVERTISING, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.

Carol A. Byrne
NOTARY PUBLIC

CAROL A. BYRNE
NOTARY PUBLIC, State of New York
No. 52-4800232 Suffolk County
Term Expires July 30, 2021

STATE OF NEW YORK)
)ss.:
COUNTY OF MASSACHUSETTS)

On the ___ day of _____ in the year _____ before me personally came _____ to me personally known, who, being duly sworn, did depose and said that (s)he resides in _____ County; that (s)he is the County Executive or _____ Chief Deputy County Executive or _____ Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that (s)he signed his/her name thereto.

NOTARY PUBLIC

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Permittee hereby certifies the following:

1. The chief executive officer of the Permittee is:

Edward U Moore (Name)
1701 Greenway, Woodbury, NY 11787 (Address)
631-667-5525 (Telephone Number)

2. The Permittee agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor
3. In the past five years, Permittee _____ has has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Permittee, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has has not been commenced against or relating to the Permittee in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety

and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Permittee agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

6/26/19
Dated

Edward V. Moore
Signature of Chief Executive Officer

Edward V. Moore
Name of Chief Executive Officer

Sworn to before me this
26 day of June, 2019.

Doreen R. Pennica
Notary Public

DOREEN R. PENNICA
NOTARY PUBLIC-STATE OF NEW YORK
No. 01PE6170832
Qualified in Nassau County
My Commission Expires July 23, 2019

Appendix EE
Equal Employment Opportunities for Minorities and Women

The provisions of this Appendix EE are hereby made a part of the document to which it is attached.

The Contractor shall comply with all federal, State and local statutory and constitutional anti-discrimination provisions. In addition, Local Law No. 14-2002, entitled "Participation by Minority Group Members and Women in Nassau County Contracts," governs all County Contracts as defined herein and solicitations for bids or proposals for County Contracts. In accordance with Local Law 14-2002:

(a) The Contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status in recruitment, employment, job assignments, promotions, upgradings, demotions, transfers, layoffs, terminations, and rates of pay or other forms of compensation. The Contractor will undertake or continue existing programs related to recruitment, employment, job assignments, promotions, upgradings, transfers, and rates of pay or other forms of compensation to ensure that minority group members and women are afforded equal employment opportunities without discrimination.

(b) At the request of the County contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, or marital status and that such employment agency, labor union, or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.

(c) The Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the County Contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(d) The Contractor shall make best efforts to solicit active participation by certified minority or women-owned business enterprises ("Certified M/WBEs") as defined in Section 101 of Local Law No. 14-2002, for the purpose of granting of Subcontracts.

(e) The Contractor shall, in its advertisements and solicitations for Subcontractors, indicate its interest in receiving bids from Certified M/WBEs and the requirement that Subcontractors must be equal opportunity employers.

(f) Contractors must notify and receive approval from the respective Department Head prior to issuing any Subcontracts and, at the time of requesting such authorization, must submit a signed Best Efforts Checklist.

(g) Contractors for projects under the supervision of the County's Department of Public Works shall also submit a utilization plan listing all proposed Subcontractors so that, to the greatest extent feasible, all Subcontractors will be approved prior to commencement of work. Any additions or changes to the list of subcontractors under the utilization plan shall be approved by the Commissioner of the Department of Public Works when made. A copy of the utilization plan any additions or changes thereto shall be submitted by the Contractor to the Office of Minority Affairs simultaneously with the submission to the Department of Public Works.

(h) At any time after Subcontractor approval has been requested and prior to being granted, the contracting agency may require the Contractor to submit Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises. In addition, the contracting agency may require the Contractor to submit such documentation at any time after Subcontractor approval when the contracting agency has reasonable cause to believe that the existing Best Efforts Checklist may be inaccurate. Within ten working days (10) of any such request by the contracting agency, the Contractor must submit Documentation.

(i) In the case where a request is made by the contracting agency or a Deputy County Executive acting on behalf of the contracting agency, the Contractor must, within two (2) working days of such request, submit evidence to demonstrate that it employed Best Efforts to obtain Certified M/WBE participation through proper documentation.

(j) Award of a County Contract alone shall not be deemed or interpreted as approval of all Contractor's Subcontracts and Contractor's fulfillment of Best Efforts to obtain participation by Certified M/WBEs.

(k) A Contractor shall maintain Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises for a period of six (6) years. Failure to maintain such records shall be deemed failure to make Best Efforts to comply with this Appendix EE, evidence of false certification as M/WBE compliant or considered breach of the County Contract.

(l) The Contractor shall be bound by the provisions of Section 109 of Local Law No. 14-2002 providing for enforcement of violations as follows:

- a. Upon receipt by the Executive Director of a complaint from a contracting agency that a County Contractor has failed to comply with

the provisions of Local Law No. 14-2002, this Appendix EE or any other contractual provisions included in furtherance of Local Law No. 14-2002, the Executive Director will try to resolve the matter.

- b. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the Executive Director shall refer the matter, within thirty days (30) of receipt of the complaint, to the American Arbitration Association for proceeding thereon.
- c. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the Executive Director his recommendations regarding the imposition of sanctions, fines or penalties. The Executive Director shall either (i) adopt the recommendation of the arbitrator (ii) determine that no sanctions, fines or penalties should be imposed or (iii) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The Executive Director, within ten days (10) of receipt of the arbitrator's award and recommendations, shall file a determination of such matter and shall cause a copy of such determination to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator, and the fines and penalties imposed by the Executive Director, shall be final determinations and may only be vacated or modified as provided in the civil practice law and rules ("CPLR").

(m) The contractor shall provide contracting agency with information regarding all subcontracts awarded under any County Contract, including the amount of compensation paid to each Subcontractor and shall complete all forms provided by the Executive Director or the Department Head relating to subcontractor utilization and efforts to obtain M/WBE participation.

Failure to comply with provisions (a) through (m) above, as ultimately determined by the Executive Director, shall be a material breach of the contract constituting grounds for immediate termination. Once a final determination of failure to comply has been reached by the Executive Director, the determination of whether to terminate a contract shall rest with the Deputy County Executive with oversight responsibility for the contracting agency.

Provisions (a), (b) and (c) shall not be binding upon Contractors or Subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate, or distinct from the County Contract as expressed by its terms.

The requirements of the provisions (a), (b) and (c) shall not apply to any employment or application for employment outside of this County or solicitations or advertisements therefor or any existing programs of affirmative action regarding employment outside of this County and the effect of contract provisions required by these provisions (a), (b) and (c) shall be so limited.

The Contractor shall include provisions (a), (b) and (c) in every Subcontract in such a manner that these provisions shall be binding upon each Subcontractor as to work in connection with the County Contract.

As used in this Appendix EE the term "Best Efforts Checklist" shall mean a list signed by the Contractor, listing the procedures it has undertaken to procure Subcontractors in accordance with this Appendix EE.

As used in this Appendix EE the term "County Contract" shall mean (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars (\$25,000), whereby a County contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the County; or (ii) a written agreement in excess of one hundred thousand dollars (\$100,000), whereby a County contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon. However, the term "County Contract" does not include agreements or orders for the following services: banking services, insurance policies or contracts, or contracts with a County contracting agency for the sale of bonds, notes or other securities.

As used in this Appendix EE the term "County Contractor" means an individual, business enterprise, including sole proprietorship, partnership, corporation, not-for-profit corporation, or any other person or entity other than the County, whether a contractor, licensor, licensee or any other party, that is (i) a party to a County Contract, (ii) a bidder in connection with the award of a County Contract, or (iii) a proposed party to a County Contract, but shall not include any Subcontractor.

As used in this Appendix EE the term "County Contractor" shall mean a person or firm who will manage and be responsible for an entire contracted project.

As used in this Appendix EE "Documentation Demonstrating Best Efforts to Obtain Certified Minority or Women-owned Business Enterprises" shall include, but is not limited to the following:

- a. Proof of having advertised for bids, where appropriate, in minority publications, trade newspapers/notices and magazines, trade and union publications, and publications of general circulation in Nassau County and surrounding areas or having verbally solicited M/WBEs whom the County Contractor reasonably believed might have the qualifications to

do the work. A copy of the advertisement, if used, shall be included to demonstrate that it contained language indicating that the County Contractor welcomed bids and quotes from M/WBE Subcontractors. In addition, proof of the date(s) any such advertisements appeared must be included in the Best Effort Documentation. If verbal solicitation is used, a County Contractor's affidavit with a notary's signature and stamp shall be required as part of the documentation.

- b. Proof of having provided reasonable time for M/WBE Subcontractors to respond to bid opportunities according to industry norms and standards. A chart outlining the schedule/time frame used to obtain bids from M/WBEs is suggested to be included with the Best Effort Documentation
- c. Proof or affidavit of follow-up of telephone calls with potential M/WBE subcontractors encouraging their participation. Telephone logs indicating such action can be included with the Best Effort Documentation
- d. Proof or affidavit that M/WBE Subcontractors were allowed to review bid specifications, blue prints and all other bid/RFP related items at no charge to the M/WBEs, other than reasonable documentation costs incurred by the County Contractor that are passed onto the M/WBE.
- e. Proof or affidavit that sufficient time prior to making award was allowed for M/WBEs to participate effectively, to the extent practicable given the timeframe of the County Contract.
- f. Proof or affidavit that negotiations were held in good faith with interested M/WBEs, and that M/WBEs were not rejected as unqualified or unacceptable without sound business reasons based on (1) a thorough investigation of M/WBE qualifications and capabilities reviewed against industry custom and standards and (2) cost of performance. The basis for rejecting any M/WBE deemed unqualified by the County Contractor shall be included in the Best Effort Documentation
- g. If an M/WBE is rejected based on cost, the County Contractor must submit a list of all sub-bidders for each item of work solicited and their bid prices for the work.
- h. The conditions of performance expected of Subcontractors by the County Contractor must also be included with the Best Effort Documentation
- i. County Contractors may include any other type of documentation they feel necessary to further demonstrate their Best Efforts regarding their bid documents.

As used in this Appendix EE the term "Executive Director" shall mean the Executive Director of the Nassau County Office of Minority Affairs; provided, however, that Executive Director shall include a designee of the Executive Director except in the case of final determinations issued pursuant to Section (a) through (l) of these rules.

As used in this Appendix EE the term "Subcontract" shall mean an agreement consisting of part or parts of the contracted work of the County Contractor.

As used in this Appendix EE, the term "Subcontractor" shall mean a person or firm who performs part or parts of the contracted work of a prime contractor providing services, including construction services, to the County pursuant to a county contract. Subcontractor shall include a person or firm that provides labor, professional or other services, materials or supplies to a prime contractor that are necessary for the prime contractor to fulfill its obligations to provide services to the County pursuant to a county contract. Subcontractor shall not include a supplier of materials to a contractor who has contracted to provide goods but no services to the County, nor a supplier of incidental materials to a contractor, such as office supplies, tools and other items of nominal cost that are utilized in the performance of a service contract.

Provisions requiring contractors to retain or submit documentation of best efforts to utilize certified subcontractors and requiring Department head approval prior to subcontracting shall not apply to inter-governmental agreements. In addition, the tracking of expenditures of County dollars by not-for-profit corporations, other municipalities, States, or the federal government is not required.

Attachment "A"

Below is an example of Advertising that Ed Moore Advertising placed in 2021 to promote different events at various parks through out Nassau County. Similar Advertisements will be placed in 2022 for the Parks Department.

March 2021 – February 2022 Advertising

Week 25 Mon 6/14 - Sun 6/20, 2021

Bollywood Movies Thu 6/17 Eisenhower Park 8pm (no Advertising)

WW2 Encampment June 19 & 20 OBVR (no Advertising)

\$4024 Newsday Full Page Nassau/Queens Thu 6/17 (Eisenhower All Concert listing)

Week 26 Mon 6/21 - Sun 6/27, 2021

Bollywood Movies Thu 6/24 Eisenhower Park 8pm (no advertising)

Roots Foundation (Bob Marley) Eisenhower Park Sat 6/26 8pm

\$1006 Newsday ¼ Page All Nassau/Que Fri 6/25 (Eisenhower concerts)

\$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)

\$1000 News12 spots Mon 6/21 – Fri 6/25 Eisenhower (Roots Foundation)

\$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)

\$750 WBAB 30 second Tue 6/22 – Sat 6/26 Eisenhower (Roots Foundation) \$700

\$2400 Blue Rock TV Production: 12 TV Spots @ \$200 per for Fri/Sat Concerts

Week 27 Mon 6/28 - Sun 7/4, 2021

Anyway you Want (Journey) Eisenhower Park Sat 7/3 8pm

OBVR 1864 Independence day Celebration Sun 7/4

Tackapausha Musuem "Raptors –Predators of the Sky Sat 7/3

\$1006 Newsday ¼ Page All Nassau/Que Fri 7/2 (Eisenhower concerts)

\$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)

\$1000 News12 spots Mon 6/28 – Fri 7/2 Eisenhower (Anyway you Want)

\$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)

\$750 WBAB 30 second Tue 6/29 – Sat 7/3 Eisenhower (Anyway you Want)

\$500 WKJY 98.3 30 second Fri 7/2 – Tue 7/6 Chelsea Concert (Young Classic)

\$415 Anton ¼ PageAll Papers Thu 7/1 for Chelsea (Concert 7/6)

\$250 Social Media ads OBVR Independence Day to until 7/4 (OBVR)

\$500 WKJY 98.3 30 second spot Mon 6/28 – Sat 7/3 independence day (obvr)

\$500 Max103.1 30 second spot Thu 7/1 – Sat 7/3 independence day (obvr)

\$500 WBAB 30 second spot Thu 7/1 – Sat 7/3 independence day (obvr)

\$1000 News 12 spots Mon 6/28 – Sat 7/3 OBVR July 4th (obvr)

\$295 Seaford Herald ¼ page Thu 7/1 for Tackapausha Raptors Event

\$199 Anton Massapequa Oserve Stripp Ad 8.75x1.25 Front Cover (Tackapausha)

\$589 LI Press Full Page Color (eisnenhower movies & concerts)

Week 28 Mon 7/5 - Sun 7/11, 2021

Young Classical Artist Tue 7/6 Concert (Chelsea Mansion)

Eisenhower Movies in Park Thur 7/8 (secret life of pets)
Nickerson Movies at Beach Fri 7/9 (book of Life)
Half Step (Grateful dead) Eisenhower Park Sat 7/10 8pm
 \$1006 Newsday ¼ Page All Nassau/Que Fri 7/9 (Eisenhower concerts)
 \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
 \$1000 News12 spots Mon 7/5 – Fri 7/9 Eisenhower (Half Step)
 \$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)
 \$250 Social Media / Facebook / instagram (Chelsea Concert 7/6)
 \$750 WBAB 30 second Tue 7/6 – Sat 7/10 Eisenhower (Half Step)
 \$225 East Meadow Herald & ¼ page Thu 7/8 (eisenhower movies)
 \$179 Westbury Times Front Page Strip ad 8.75x1.25 Thu 7/8 (eisenhower movies)
 \$225 Seaford Herald ¼ page Thu 7/8 for Cedar Creek Movies Next Tues
 \$225 Long Beach Herald ¼ page Thu 7/8 for Nickerson Movies
 \$500 WKJY 98.3 30 second Fri 7/9 – Wed 7/14 Chelsea Concert (LI Orchestra)
 \$450 East Meadow & Bellmore Herald & ¼ page Thu 7/8 (eisen noon 7/14 concert)
 \$415 Anton ¼ Color All 18 Papers Thu 7/8 for Chelsea (Concert 7/14)

Week 29 Mon 7/12 - Sun 7/18, 2021

Cedar Creek Movies in Park Tue 7/13 (coco)
LI Concert Orchestra Wed 7/14 (Chelsea Mansion)
Eisenhower Wed Noon time Concert (Bobby Doo Wop) wed 7/14
Eisenhower Movies in Park Thur 7/15 (trolls)
Devoted to the Allman Bros Eisenhower Park Sat 7/17 8pm
Nickerson Movies at Beach Sun 7/18 (Ferdinand)
 \$1006 Newsday ¼ Page All Nassau/Que Fri 7/16 (Eisenhower concerts)
 \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
 \$1000 News12 spots Mon 7/12 – Fri 7/16 Eisenhower (Allman Bros)
 \$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)
 \$750 WBAB 30 second Tue 7/13 – Sat 7/17 Eisenhower (Allman Bros)
 \$415 Anton all Papers ¼ Page Color Thu 7/15 (Chris Morley concert 7/20)
 \$225 East Meadow Herald & ¼ page Thu 7/15 (eisenhower movies)
 \$179 Westbury Times Front page Strip 8.75x1.25 Thu 7/15 (eisenhower movies)
 \$225 Nassau Herald ¼ page Color Thu 7/15 Woodmere Pk (Next Tues Movie)
 \$225 Long Beach Herald & ¼ page Thu 7/15 (Nickerson Beach Sun movies)
 \$250 WHLI 60 second Mon 7/12-Wed 7/14 Eisenhower (Noon Concert)
 \$450 East Meadow & Bellmore Herald & ¼ page Thu 7/15 (eisen noon 7/21 concert)
 \$250 Social Media / Facebook / instagram (Chelsea Mansion 7/14 concert)

Week 30 Mon 7/19 - Sun 7/25, 2021

Ragdoll (Four Seasons Tribute) Tue 7/20 concert (chris morley)
North Woodmere Movies in Park Tue 7/20 (inside out)
Eisenhower Wed Noon time Concert (Johnny Avino) wed 7/21
Eisenhower Movies in Park Thur 7/22 (the croods)
Sir Paul (Paul McCartney) Eisenhower Park Sat 7/24 8pm
 \$1006 Newsday ¼ Page All Nassau/Que Fri 7/23 (Eisenhower concerts)
 \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
 \$1000 News12 spots Mon 7/19 – Fri 7/23 Eisenhower (Paul McCartney)

- \$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)
- \$750 WBAB 30 second Tue 7/20 – Sat 7/24 Eisenhower (Paul McCartney)
- \$500 WBZO 30 second Fri 7/16 – Tue 7/20 Chris Morley 7/20 concert)
- \$225 East Meadow Herald & ¼ page Thu 7/22 (eisenhower movies)
- \$179 Westbury Times Front Page Strip Thu 7/22 (eisenhower movies)
- \$225 Seaford Herald ¼ page Thu 7/22 for Cedar Creek Movies Next Tues
- \$250 WHLI 60 second Mon 7/19-Wed 7/21 (chris morley 7/20 & Eisen Noon Concert)
- \$450 East Meadow & Bellmore Herald & ¼ page Thu 7/22 (eisen noon 7/28 concert)
- \$250 Social Media / Facebook / instagram (Ragdoll 7/20 Chris Morley Pk)

Week 31 Mon 7/26 - Sun 8/1

- Eisenhower Wed Noon time Concert (Vinny Pizzo) wed 7/28*
- Cedar Creek Movies in Park Tue 7/27 (Spys in Disguise)*
- Eisenhower Movies in Park Thur 7/29 (Abominable)*
- Nickerson Movies at Beach Fri 7/30 (angry birds)
- Petty Rumors (TomPetty) Eisenhower Park Sat 7/31 8pm*
- OBVR Old Time Baseball Touranment July 31 & August 1*
- \$1006 Newsday ¼ Page All Nassau/Que Fri 7/30 (Eisenhower concerts)
- \$1006 Newsday ¼ Page All Nassau/Que Thu 7/29 (John King Concert 8/8)
- \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
- \$1000 News12 spots Mon 7/26 – Fri 7/30 Eisenhower (Tom Petty)
- \$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)
- \$750 WBAB 30 second Tue 7/27 – Sat 7/31 Eisenhower (Tom Petty)
- \$225 East Meadow Herald & ¼ page Thu 7/29 (eisenhower movies)
- \$179 Westbury Times Front Page Strip ad Thu 7/29 (eisenhower movies)
- \$225 Nassau Herald ¼ page Color Thu 7/29 Woodmere Pk (Next Tues Movie)
- \$225 Nassau Herald ¼ page Color Thu 7/29 Woodmere Mon 8/2 Concert
- \$225 Long Beach Herald ¼ page Thu 7/29 for Nickerson Fri Movies
- \$250 WHLI 60 second Mon 7/26-Wed 7/28 Eisenhower (Noon Concert)
- \$1000 News 12 spots Mon 7/26-Fri 7/30 Old Time Baseball Tournament (OBVR)

Week 32 Mon 8/2 - Sun 8/8

- North Woodmere Park Concert Mon 8/2 (forever Plaid)*
- North Woodmere Movies in Park Tue 8/3 (UP)*
- Eisenhower Movies in Park Thur 8/5 (The War with Granpa)*
- Garvies Point Butterfly & insect Sat 8/7 8pm*
- Janis Joplin experience Eisenhower Park Sat 8/7 8pm*
- OBVR Old Time Music 8/7, 8/8*
- John King Country Concert (Mitchel Athletic Complex) Sun August 8th 8pm*
- \$2012 Newsday 1/2 Page All Nassau/Que Thu 8/5 (John King)
- \$1006 Newsday ¼ Page All Nassau/Que Fri 8/6 (Janis Joplin)
- \$2012 Newsday 1/2 Page All Nassau/Que Fri 8/6 (John King)
- \$1530 Nash 94.7 30 second Tue 8/3 – Sat 8/7 Mitchel Field (John King)
- \$500 WJVC Radio 30 second Tue 8/3 – Sat 8/7 Mitchel Field (John King)
- \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (John King)
- \$1000 News12 spots Mon 8/2– Fri 8/6 Mitchell Field (John King)

- \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
- \$1000 News12 spots Mon 8/2– Fri 8/6 Eisenhower (Janis Joplin)
- \$250 Social Media / Facebook / instagram (Janis Joplin)
- \$750 WBAB 30 second Tue 8/3 – Sat 8/7 Eisenhower (Janis Joplin)
- \$225 East Meadow Herald & ¼ page Thu 8/5 (eisenhower movies)
- \$179 Westbury Times Front page Strip Thu 8/5 (eisenhower movies)
- \$225 Seaford Herald ¼ page Thu 8/5 for Cedar Creek Movies Next Tues
- \$500 WKJY 98.3 30 sec Fri 8/6 –Wed 8/11 Chelsea Concert (Swingtime 8/11)
- \$450 East Meadow & Bellmore Herald & ¼ page Thu 8/5 (eisen noon 8/11 concert)
- \$415 Anton ¼ Page all Papers Thu 8/5 for Chelsea (Concert 8/11)
- \$415 Anton ¼ Page all Papers Thu 8/5 for Garvies Point
- \$225 Glen Cove Herald Gazette Thu 8/5 for garvies Point
- \$1000 News 12 spots Mon 8/2-Fri 8/6 Old Time Music (OBVR)
- \$250 Social Media / Facebook / instagram (North Woodmere Pk 8/2 Concert)
- \$500 Social Media / Facebook / instagram (Mitchell Athletic Field John King 8/8)
- \$415 Anton ¼ Page all Papers Thu 8/5 for (John King 8/8)

Week 33 Mon 8/9 - Sun 8/15

Cedar Creek Movies in Park Tue 8/10 (Hocus Pocus)

Eisenhower Wed Noon time Concert (Tangerine) wed 8/11

Swingtime Big Band Wed 8/11 (Chelsea Mansion)

Eisenhower Movies in Park Thur 8/12 (Playing with Fire)

Misty Mountain (Led Zeppelin) Eisenhower Park Sat 8/14 8pm

Nickerson Movies at Beach Sun 8/15 (angr Birds)

- \$1006 Newsday ¼ Page All Nassau/Que Fri 8/13 (Eisenhower concerts)
- \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
- \$1000 News12 spots Mon 8/9– Fri 8/13 Eisenhower (Led Zeppelin)
- \$250 Social Media / Facebook / instagram (Led Zeppelin)
- \$750 WBAB 30 second Tue 8/10 – Sat 8/14 Eisenhower (Led Zeppelin)
- \$225 East Meadow Herald & ¼ page Thu 8/12 (eisenhower movies)
- \$179 Westbury Times front page stripp ad Thu 8/12 (eisenhower movies)
- \$225 Nassau Herald ¼ page Color Thu 8/12 Woodmere Pk (Next Tues Movie)
- \$225 Long Beach Herald ¼ page Thu 8/12 (Nickerson Beach Sun movies)
- \$250 WHLI 60 second Mon 8/9-Wed 8/11 Eisen Noon Concert & Chelsea 8/11 Concert
- \$450 East Meadow & Bellmore Herald & ¼ page Thu 8/12 (eisen noon 8/18 concert)
- \$1500 Social Media Entries/Volunteers/Fair 8/9 – 9/4 (LI Fair)
- \$1000 Newsday.com 100,000 Imp Nassau County 8/9 – 9/4 (LI Fair)
- \$1006 Newsday ¼ Page All Nassau/Que Fri 8/13 (LI Fair)

Week 34 Mon 8/16 - Sun 8/22

North Woodmere Movies in Park Tue 8/17 (hocus Pocus)

Eisenhower Wed Noon time Concert (Tommy Sullivan) wed 8/18

Eisenhower Movies in Park Thur 8/19 (My Spy)

Nickerson Movies at Beach Fri 8/20 (High School Musical)
Strange Magic (Electric Light Orchestra) Eisenhower Park Sat 8/21 8pm
 \$1006 Newsday ¼ Page All Nassau/Que Fri 8/20 (Eisenhower concerts)
 \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
 \$1000 News12 spots Mon 8/16– Fri 8/20 Eisenhower (ELO)
 \$250 Social Media / Facebook / instagram (Eisenhower & other concerts for the week)
 \$750 WKJY400/WBZO350 30 second Tue 8/17 – Sat 8/21 Eisenhower (ELO)
 \$225 East Meadow Herald & ¼ page Thu 8/19 (eisenhower movies)
 \$179 Westbury Times Front Page Strip ads Thu 8/19 (eisenhower movies)
 \$225 Long Beach Herald ¼ page Thu 8/19 (Nickerson Beach Fri movies)
 \$250 WHLI 60 second Mon 8/16-Wed 8/18 Eisenhower (Noon Concert)
 \$450 East Meadow & Bellmore Herald & ¼ page Thu 8/19 (eisen noon 8/25 concert)
 \$2012 Newsday ¼ Page Full Run Fri 8/20 (LI Fair)

Week 35 Mon 8/23 - Sun 8/29

Eisenhower Wed Noon time Concert (Fran & Frank) wed 8/25
Eisenhower Movies in Park Thur 8/26 (Dora & Lost City)
Marvin Gaye Tribute African American Night Fri 8/27
Tony Orlando Salute to Vets Sun 8/29 645pm (Eisenhower Park)
Street Fighter Concert (rolling Stones) Eisenhower Park Sat 8/28 8pm
Nickerson Movies at Beach Sun 8/29 (Camp Rock)
 \$2012 Newsday 1/2 Page All Nassau/Que Thu 8/26 (Marvin, Street fight, Tony Orlando)
 \$250 Newsday.com 25,000 Imp Nassau County Mon-Fri (Tony Orlando)
 \$1000 News12 spots Mon 8/23– Fri 8/27 Eisenhower (Tony Orlando)
 \$1000 News12 spots Mon 8/23– Fri 8/27 Eisenhower (Marvin Gaye)
 \$1050 Herald 6 Papers Free, Hemp, Union, FS, VS, Bald, Oyst Thu 8/26 (Marvin)
 \$250 Social Media / Facebook / instagram (Tony Orlando)
 \$1006 Newsday 1/4 Page All Nas/Que Wed 8/25 (Marvin Gaye)
 \$3500 WBLS 30 second Sat 8/21 – Fri 8/27 (Marvin Gaye)
 \$250 Social Media / Facebook / instagram (Marvin Gaye)
 \$250 Newsday.com 25,000 Imp Nassau County Mon-Fri (Marvin Gaye)
 \$1006 Newsday ¼ Page All Nassau/Que Fri 8/27 (Tony Orlando)
 \$250 Newsday.com 25,000 Imp Nassau County Wed-Fri (weekends show)
 \$1000 News12 spots Mon 8/23– Fri 8/27 Eisenhower (Rolling Stones)
 \$250 Social Media / Facebook / instagram (Street Fighter)
 \$750 WBAB 30 second Tue 8/24 – Sat 8/28 Eisenhower (Rolling Stones)
 \$225 East Meadow Herald & ¼ page Thu 8/26 (eisenhower movies)
 \$179 Westbury Times Front Page Strip Thu 8/26 (Eisenhower movies)
 \$225 Long Beach Herald ¼ page Thu 8/26 (Nickerson Beach Sun movies)
 \$500 Max103.1 30 sec Thu 8/26 – Mon 8/30 (Grant Pk concert Gathering Time)
 \$200 WHLI 60 sec Thu 8/26 – Mon 8/30 (Grant Pk concert Gathering Time)
 \$675 Herald ¼ page west Zone 3 papers Thu 8/26 (grant park concert 8/30)
 \$250 WHLI 60 second Mon 8/23-Wed 8/25 Eisenhower (Noon Concert)
 \$1140 News12 spots for Fair 8/23 – 8/29 (LI Fair)
 \$600 WKJY 30 second spots 8/23-8/29 (LI Fair)
 \$1200 WBLI 106.1 30 second spots 8/23-8/29 (LI Fair)

\$1200 WBAB 102.3 30 second spots 8/23-8/29 (LI Fair)
\$2012 Newsday ¼ Page Full Run Fri 8/27 (LI Fair)
\$1375 Epoch Chinese Newspaper Fri 8/27 ½ Page B&W (LI Fair)
\$500 Blank Slate / Litmor ¼ page (11 papers) Thu 9/19 (LI Fair)
\$415 Anton ¼ Page All Papers Thu 8/26 (LI Fair)

Week 36 Mon 8/30 - Sun 9/5 (Labor day Weekend)

Gathering Time Concert Grant Park Mon 8/30 7pm

Long Island Fair Sept 3, 4, 5 (OBVR)

TD Labor Day Fireworks at Eisenhower Park (45 RPM) Saturday 9/4 Rain 9/5

\$1006 Newsday ¼ Page All Nassau/Que Thu 9/2 (Fireworks & upper cut)
\$250 Newsday.com 25,000 Imp Nassau County Mon-Fri (Fireworks & Uppercut)
\$1000 News12 spots Mon 8/23– Fri 8/27 Eisenhower (Fireworks & Uppercut)
\$250 Social Media / Facebook / instagram (Fireworks & Dean)
\$500 WKJY 98.3 30 second Tue 8/31 – Sat 9/4 Eisenhower (Fireworks, Uppercut)
\$250 Social Media/Facebook/instagram (Grant Pk concerts gathering time 8/30)
\$1360 News12 15 Second spots 8/30 – 9/5 (LI Fair)
\$600 WKJY 30 second spots 8/30 – 9/5(LI Fair)
\$400 WJVC 96.1 60 second spots 8/30 – 9/5(LI Fair)
\$1200 WBLI 106.1 30 second spots 8/30 – 9/5 (LI Fair)
\$1200 WBAB 102.3 30 second spots 8/30 – 9/5 (LI Fair)
\$2012 Newsday ¼ Page Full Run Wed 9/1 (LI Fair)
\$2012 Newsday 1/2 Page Nassau/Queens Thu 9/2 (LI Fair)
\$2012 Newsday ¼ Page Full Run Fri 9/3 (LI Fair)
\$1375 Epoch Chinese Newspaper Wed 9/1 ½ Page B&W (LI Fair)
\$830 Anton ½ Color Page All Papers Thu 9/2 (LI Fair)
\$900 Blue Rock TV Production: 3 TV Spots @ \$300 per li Fair/Fireworks/African

Week 37 Mon 9/6 - Sun 9/12

Week 38 Mon 9/13 - Sun 9/19

Week 39 Mon 9/20 - Sun 9/26

\$2012 Newsday 1/2 Page Nassau/Queens Sun 9/26 (Music Festival)
\$830 Anton ½ Color Page All Papers Thu 9/23 (Music Festival)
\$500 Blank Slate / Litmor 11 Papers ¼ Page Colo Thu 9/23 (Music Festival)

Week 40 Mon 9/27 - Sun 10/3

Music Festival 1pm-6pm at Eisenhower Park Sat Oct 2nd

\$2012 Newsday 1/2 Page Nassau/Queens Wed 9/29 (Music Festival)
\$2012 Newsday 1/2 Page Nassau/Queens Thu 9/30 (Music Festival)
\$2012 Newsday 1/2 Page Nassau/Queens Fri 10/1 (Music Festival)
\$500 Newsday.com 50,000 Imp Nassau County 9/20 – 10/2 (Music Festival)
\$830 Anton ½ Color Page All Papers Thu 9/30 (Music Festival)
\$1500 Herald ¼ Page All Papers Thu 9/30 (Music Festival)

\$500 Blank Slate / Litmor 11 Papers ¼ Page Colo Thu 9/23 (Music Festival)
\$2500 WBAB 102.3 30 second spots 9/20 – 10/2 (Music Festival)
\$2500 WAXQ 104.3 30 second spots 9/20 – 10/2 (Music Festival)
\$1000 Max103.1 60 second spots 9/20 – 10/2 (Music Festival)
\$500 WKJY 98.3 30 second spots 9/20 – 10/2 (Music Festival)
\$1010 Nash 94.7 30 second spots 9/20 – 10/2 (Music Festival)
\$850 Roger & JP WBAB Host Fee Sat 10/2 230pm-430pm (Music festival)
\$1000 Social Media / Facebook / instagram 9/13 – 10/2 (Music Festival)
\$3000 TV Spots (30 Secs) 9/20 – 10/2 (music Festival)
\$500 Blue Rock TV Production 30 Second TV Spot (music Festival)

Week 41 Mon 10/4 - Sun 10/10

Week 42 Mon 10/11 - Sun 10/17

Scared in the Park Drive in Movies Eisenhower Park Oct 16, 22, 23, 29. 30th

\$500 WKJY 98.3 30 second spots 10/13 – 10/16 (Halloween Scared in Park)
\$300 WWSK Shark 94.3 30 second spots 10/13 – 10/16 (Halloween Scared in Park)

Week 43 Mon 10/18 - Sun 10/24

Scared in the Park Drive in Movies Eisenhower Park Oct 16, 22, 23, 29. 30th

\$300 WWSK Shark 94.3 30 second spots 10/20 – 10/23 (Halloween Scared in Park)
\$500 WBAB 102.3 30 second spots 10/20 – 10/23 (Halloween Scared in Park)
\$219 Westbury Times Stripp Ad Thu 10/21 (Halloween Scared in Park)
\$295 East Meadow Herald ¼ Color Thu 10/21 (Halloween Scared)

Week 44 Mon 10/25 - Sun 10/31

Scared in the Park Drive in Movies Eisenhower Park Oct 16, 22, 23, 29. 30th

\$300 WWSK Shark 94.3 30 second spots 10/27– 10/30 (Halloween Scared in Park)
\$500 WBAB 102.3 30 second spots 10/27 – 10/30 (Halloween Scared in Park)
\$295 East Meadow Herald ¼ Color Thu 10/28 (Halloween Scared)

Week 45 Mon 11/1 - Sun 11/7

Week 46 Mon 11/8 - Sun 11/14

Week 47 Mon 11/15 - Sun 11/21

Week 48 Mon 11/22 - Sun 11/28

1863 Thanksgiving Nov 27-28

\$750 News12 spots Mon 11/22 – Sat 11/27 OBVR Thanksgiving
\$250 Social Media / Facebook / instagram Nov 15 -28 (OBVR Thanksgiving)

Week 49 Mon 11/29 - Sun 12/5

Week 50 Mon 12/6 - Sun 12/12

Gingerbread Workshop Dec 11-12

Week 51 Mon 12/13 - Sun 12/19

Candlelight Evenings Dec 17-19, 26-29

\$1000 News12 spots Mon 12/13 – Tue 12/19 OBVR Candlelight

\$250 Social Media / Facebook / instagram Dec 13 – 29 OBVR Candlelight

\$823 WKJY 30 Second Radio Ads 12/12 – 12/ 19 OBVR Candlelight

Week 52 Mon 12/20 - Sun 12/26

Candlelight Evenings Dec 17-19, 26-30



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: Ed Moore Advertising

2. Amount requiring NIFA approval: \$1,800,000.00

Amount to be encumbered: \$600,000.00

Slip Type: Amendment

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: 03/01/2020 to 02/28/2025

Has work or services on this contract commenced? Yes

If yes, please explain: Contract already in place since 3/1/20

4. Funding Source:

General Fund (GEN)

Capital Improvement Fund (CAP)

Grant Fund (GRT)

Other X

ARP boost NC tourism program

Federal % 0

State % 0

County % 0

Other % 100

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

Amended Term and Amended Payment: Amendment 1 extends the term until February 28, 2025 and the maximum amount in the Original agreement (attached CQPK19000023) shall be increased from \$450,000 by \$1,800,000 to \$2,250,000.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
CQPK19000023-04	04/01/2022	\$150,000.00

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

IQURESHI

06/20/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Elaine Phillips
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: Ed Moore Advertising Agency, Inc.

CONTRACTOR ADDRESS: 10 Village Drive West., Dix Hills, NY 11745

FEDERAL TAX ID #: 11-2396029

Instructions: Please check the appropriate box ("☑") after one of the following roman numerals, and provide all the requested information.

I. The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids. The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. The contractor was selected pursuant to a Request for Proposals.

The Contract was entered into after a written request for proposals was issued on _____ [date]. Potential proposers were made aware of the availability of the RFP by advertisement in _____ [newspaper], posting on industry websites, via email to interested parties and by publication on the County procurement website. Proposals were due on _____ [date]. _____ [state #] proposals were received and evaluated. The evaluation committee consisted of: _____

_____ (list # of persons on committee and their respective departments). The proposals were scored and ranked. As a result of the scoring and ranking, the highest-ranking proposer was selected.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on 3/1/2020 [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after _____

_____ [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**
- B. The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

D. Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

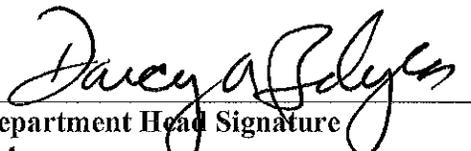
Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.



Department Head Signature

6-17-22

Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Joseph Kenny [EDMOOREADV@AOL.COM]

Dated: 03/16/2022 12:05:37 PM

Vendor: Ed Moore Advertising Agency

Title: VP



COUNTY OF NASSAU

LOBBYIST REGISTRATION AND DISCLOSURE FORM

1. Name, address and telephone number of lobbyist(s)/lobbying organization. The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

None

2. List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

None

3. Name, address and telephone number of client(s) by whom, or on whose behalf, the lobbyist is retained, employed or designated:

None

4. Describe lobbying activity conducted, or to be conducted, in Nassau County, and identify client(s) for each activity listed. See the last page for a complete description of lobbying activities.

None

5. The name of persons, organizations or governmental entities before whom the lobbyist expects to lobby:

None

6. If such lobbyist is retained or employed pursuant to a written agreement of retainer or employment, you must attach a copy of such document; and if agreement of retainer or employment is oral, attach a written statement of the substance thereof. If the written agreement of retainer or employment does not contain a signed authorization from the client by whom you have been authorized to lobby, separately attach such a written authorization from the client.

7. Has the lobbyist/lobbying organization or any of its corporate officers provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee? If none, you must so state:

I understand that copies of this form will be sent to the Nassau County Department of Information Technology ("IT") to be posted on the County's website.

I also understand that upon termination of retainer, employment or designation I must give written notice to the County Attorney within thirty (30) days of termination.

VERIFICATION: The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees listed above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Joseph Kenny [EDMOOREADV@AOL.COM]

Dated: 06/17/2022 04:58:24 PM

Vendor: Ed Moore Advertising Agency Inc.

Title: VP

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

The term "lobbying" or "lobbying activities" does not include: Persons engaged in drafting legislation, rules, regulations or rates; persons advising clients and rendering opinions on proposed legislation, rules, regulations or rates, where such professional services are not otherwise connected with legislative or executive action on such legislation or administrative action on such rules, regulations or rates; newspapers and other periodicals and radio and television stations and owners and employees thereof, provided that their activities in connection with proposed legislation, rules, regulations or rates are limited to the publication or broadcast of news items, editorials or other comment, or paid advertisements; persons who participate as witnesses, attorneys or other representatives in public rule-making or rate-making proceedings of a County agency, with respect to all participation by such persons which is part of the public record thereof and all preparation by such persons for such participation; persons who attempt to influence a County agency in an adjudicatory proceeding, as defined by § 102 of the New York State Administrative Procedure Act.

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Joseph Kenny
Date of birth: 02/16/1964
Home address: 10 Village Drive West
City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746
Country: US

Business Address: 10 Village Drive West
City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746
Country: US
Telephone: (631) 667-5525

Other present address(es): none
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	_____	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	<u>08/01/1996</u>		
(Other)			

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

49% ownership

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

- a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

- d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Joseph Kenny , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Joseph Kenny , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Ed Moore Advertising Agency Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Joseph Kenny [EDMOOREADV1@AOL.COM]

VP

Title

06/17/2022 05:34:16 PM

Date

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Christine Kenny
Date of birth: 11/26/1964
Home address: 10 Village Drive West
City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746
Country: US

Business Address: 10 Village Drive West
City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746
Country: US
Telephone: (631) 667-5525

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	<u>05/06/2020</u>	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

51%

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?
YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?
YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Christine Kenny , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Christine Kenny , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Ed Moore Advertising Agency Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Christine Kenny [EDMOOREADV@AOL.COM]

President

Title

06/16/2022 04:20:25 PM

Date

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 06/17/2022

1) Proposer's Legal Name: Ed Moore Advertising Agency, Inc

2) Address of Place of Business: 10 Village Drive West

City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746

Country: US

3) Mailing Address (if different): _____

City: _____ State/Province/Territory: _____ Zip/Postal Code: _____

Country: _____

Phone: _____

Does the business own or rent its facilities? Own If other, please provide details:

4) Dun and Bradstreet number: 064739030

5) Federal I.D. Number: 112396029

6) The proposer is a: Corporation (Describe) _____

7) Does this business share office space, staff, or equipment expenses with any other business?
YES NO If yes, please provide details:

8) Does this business control one or more other businesses?
YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?
YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?

YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?

YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:

a) Any felony charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide details for each such year. Provide a detailed response to all questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the questionnaire.

17 Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

(ii) Any family relationship that any employee of your firm has with any County public servant that may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

- b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

No conflict exist, but in the event a conflict arises, the County will be notified to make a determination

- A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

1 File(s) Uploaded: rfp_resume_edmoore_Adv.doc

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

- i) Date of formation;

01/01/1974

- ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

Joseph Kenny 10 Village Drive West, Dix Hills, NY 11746 Vice President
Christine Kenny 10 Village Drive West, Dix Hills, NY 11746 President

No individuals with a financial interest in the company have been attached..

- iii) Name, address and position of all officers and directors of the company. If none, explain.

No officers and directors from this company have been attached.

1 File(s) Uploaded: corporate_officers.doc

- iv) State of incorporation (if applicable);

NY

- v) The number of employees in the firm;

3

- vi) Annual revenue of firm;

2100000

- vii) Summary of relevant accomplishments

Agency has been in business on LI for 45 years handling large accounts like Adventureland, Splish SPLash, Sam Ash Music, Suburban Exterminating, Westbury Music Theater, Live Nation, Bohlsen Restaurant Group, Boening Bros Beer Distributors, among others..

- viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

45

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

this document list why the county should use our services

1 File(s) Uploaded: rfp_edmoore_why.doc

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company Adventureland
Contact Person Steve Gentile
Address 2245 Broadhollow Rd
City East Farmingdale State/Province/Territory NY
Country US
Telephone (631) 694-6868
Fax # (631) 694-6816
E-Mail Address Steven.Gentile@adventureland.us

Company Dublin Deck
Contact Person Frank Gentile
Address 327 River Avenue
City Patchogue State/Province/Territory NY
Country US
Telephone (631) 721-3041
Fax # (631) 472-8983
E-Mail Address mem403@aol.com

Company San Giuseppe Wines
Contact Person Janine Judice
Address 40 Prospect Street
City Huntington State/Province/Territory NY
Country US
Telephone (631) 424-9797
Fax # (631) 424-9749
E-Mail Address jjudice@vintwood.com

I, Christine Kenny , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Christine Kenny , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Ed Moore Advertising Agency Inc.

Electronically signed and certified at the date and time indicated by:
Christine Kenny [EDMOOREADV@AOL.COM]

President
Title

06/17/2022 04:36:30 PM
Date

Resume for Ed Moore Advertising Agency

Edward V Moore
President
DOB: 5-10-34
1701 Greenway
Woodbury, NY 11797
516-496-7356
44 Years Experience in Advertising on LI

Joseph R Kenny
Vice President
DOB: 2-16-64
10 Village Drive West
Dix Hills, NY 11746
631-553-8053
23 Years Experience in Advertising on LI

Christine A. Kenny
Vice President
DOB: 11-26-64
10 Village Drive West
Dix Hills, NY 11746
631-487-7297
33 Years Experience in Advertising on LI

Background of Ed Moore Advertising

1. Local Advertising Agency established in 1974
2. 3 Full Time Employees
3. Have Graphic Artist, Radio Production People, & TV Production
4. Specialize in Entertainment Industry
5. Restaurants (Prime, Tellers, Harbor Crab, H2O, K Pacho, Four, J&R Steak House, Mio Posto, Danfords, Black Forest, Hudsons on Mile)
6. Bars/Clubs (Dublin Deck, Lily Flanagans, Nutty Irishman, Nappertandys, Pops, Bellport CC, Chateau Le Mar, Emporium, Maliblu)
7. Retail (Miller Beer, San Giuseppe Wines, Suburban Exterminators, Cactus Salons, Sam Ash, Adventureland, NYCB Theater, Dover Caterers)
8. Events (Great South Bay Boat Race, Montauk Art Show, Concerts, Nassau County Craft Shows, Port Jefferson Bid, Brookhaven Amphitheater)
9. Buying Service: Purchase media at lowest prices & charge no fees
10. Place Radio, TV, Print, & Online Advertising
11. Coordinate all Scripts, Artwork, Schedules, & Billing
12. Coordinate appearances & Promotions
13. We know what works best

Why Use Ed Moore Advertising?

1. One point of Contact.... I give an un-biased recommendation on which media depending on the event, location, and budget... (IE. if dealing with a radio station directly they are going to steer you in that direction no matter what... I suggest what works based on previous experiences. I make same \$ no matter which media you use)
2. I have lowest rates and do not charge any fees.... I have 100s of clients in the LI area that promote events similar to yours and I know what the lowest cost are. The stations pay me 15% for doing the work of placement, writing the spots and payments (I am attaching client list)
3. Flexible with billing and conform to what you need, rather than having to fill out credit apps and letters of guarentee... I do that... when something runs incorrectly, I credit you and get make goods. I do all the work behind the scenes..
4. I coordiante art delivery, writing of ads, tv production, and ad placement for no fee... part of what we do....
5. I am always available, nights, weekend, etc....I take the drama out of ordering and don't push you to do un-necessary things.. No B.S.
6. I deal with all the different sales people calling to try and sell you on things that you probably don't need.
7. Located on LI and available to meet in person whenever needed
8. We have been in business on LI since 1974 and have solid relationships with Radio, TV, and Print publication.

BOTTOM LINE: Cost Less, One Person, No Hassle, Always Available, and what we do works, ask anyone of my clients

CLIENT LIST

BARS/CLUBS/CATERING

Winners Circle
Bridgeview Yacht Club
Kaseys
Carlton on the Park
Paramount
McFaddens
Revolution
Gossip
Suffolk Theatre
Schafers
Mixx
Refuge
Lilly Flanagans
Dublin Deck
Emporium
Napper Tandys
Milleridge Inn
Chelsea Mansion
Nutty Irishman
Peters Clam Bar
Parlay Gastro
Wahlburgers
Harbor Club
Brookhaven Amphitheatre
Flanagans
Patchogue Theatre
Smoke Shack BBQ
Beach Bar
Dover Caterers
Schafers
Sands of Lido
Danfords / Wave
NY Burger
Coral House
Brian Rosenberg NY
Hudson & McCoy
Tommys Place
Tap Room
Flynns
NYCB Westbury Theater

RESTAURANTS

Claudios
Mio Posto
Passione
Mesita
Tellers Chop House
Irish Coffee Pub
Harbor Crab
J&R Steakhouses
Verace
K Pacho
Monsoon
Black Forest Brew Haus
Palmers
Prime Steak House
Harbor Club
H-2-O

BUSINESSES

Cactus Salons
Nassau County Parks
Clare Rose Beer Distributor
Tax Time Resolutions
Live Nation
Suburban Exterminators
Adventureland
Country Farms / Polo in Park
San Giuseppe Wines
Boening Bros Beer Distributor
Gold Coast Bank
Patchogue C of C
Napoli Marble
Allstar Bartending
Property Tax Reduction
Port Jefferson B.I.D.
Fine Lawyers
Sam Ash Music Stores
Nassau County Craft Shows
C&B Archery
LI Plastic Surgical Group
Ski Plattekill

Ed Moore Advertising

10 Village Drive West
Dix Hills, New York 11746
ph.631 667-5525 fax 631 667-0402

Date: 2/25/2019

Corporate Officers Below:

Edward V Moore
President
DOB: 5-10-34
SS#: 064-26-1718
1701 Greenway
Woodbury, NY 11797
516-496-7356
50% share

Joseph R Kenny
Vice President
DOB: 2-16-64
SS# 085-54-2151
10 Village Drive West
Dix Hills, NY 11746
631-553-8053
25% share

Christine A. Kenny
Vice President
DOB: 11-26-64
SS# 127-62-8831
10 Village Drive West
Dix Hills, NY 11746
631-487-7297
25% Share

Why Use Ed Moore Advertising?

1. One point of Contact.... I give an un-biased recommendation on which media depending on the event, location, and budget... (IE. if dealing with a radio station directly they are going to steer you in that direction no matter what... I suggest what works based on previous experiences. I make same \$ no matter which media you use)
2. I have lowest rates and do not charge any fees.... I have 100s of clients in the LI area that promote events similar to yours and I know what the lowest cost are. The stations pay me 15% for doing the work of placement, writing the spots and payments (I am attaching client list)
3. Flexible with billing and conform to what you need, rather than having to fill out credit apps and letters of guarentee... I do that... when something runs incorrectly, I credit you and get make goods. I do all the work behind the scenes..
4. I coordiante art delivery, writing of ads, tv production, and ad placement for no fee... part of what we do....
5. I am always available, nights, weekend, etc....I take the drama out of ordering and don't push you to do un-necessary things.. No B.S.
6. I deal with all the different sales people calling to try and sell you on things that you probably don't need.
7. Located on LI and available to meet in person whenever needed
8. We have been in business on LI since 1974 and have solid relationships with Radio, TV, and Print publication.

BOTTOM LINE: Cost Less, One Person, No Hassle, Always Available, and what we do works, ask anyone of my clients

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Ed Moore Advertising Agency, Inc

Address: 10 Village Drive West

City: Dix Hills State/Province/Territory: NY Zip/Postal Code: 11746

Country: US

2. Entity's Vendor Identification Number: 112396029

3. Type of Business: Other (specify) s Corp

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

1 File(s) uploaded rfp_disclosure_statement.doc

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

Christine A Kenny VP Dix Hills, NY 51% ownership
Joseph R Kenny VP Dix Hills, NY 11746 49% ownership

1 File(s) uploaded rfp_disclosure_statement.doc

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

None

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

None

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

None

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

None

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:

Joseph Kenny [EDMOOREADV@AOL.COM]

Dated: 06/17/2022 04:39:42 PM

Title: VP

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including by not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

Ed Moore Advertising

10 Village Drive West
Dix Hills, New York 11746
ph.631 667-5525 fax 631 667-0402

Date: 2/14/2019

Re: Disclosure Statement

Corporate Officers Below:

Edward V Moore
President
DOB: 5-10-34
SS#: 064-26-1718
1701 Greenway
Woodbury, NY 11797
516-496-7356

Joseph R Kenny
Vice President
DOB: 2-16-64
SS# 085-54-2151
10 Village Drive West
Dix Hills, NY 11746
631-553-8053

Christine A. Kenny
Vice President
DOB: 11-26-64
SS# 127-62-8831
10 Village Drive West
Dix Hills, NY 11746
631-487-7297

Certificate of No Change Form



All fields must be filled.

A materially false statement willfully or fraudulently made in connection with this certification, and/or the failure to conduct appropriate due diligence in verifying the information that is the subject of this certification, may result in rendering the submitting entity non-responsible for the purpose of contract award.

A materially false statement willfully or fraudulently made in connection with this certification may subject the person making the false statement to criminal charges.

I, Joseph Kenny state that I have read and understand all the items contained in the disclosure documents listed below and certify that as of this date, these items have not changed. I further certify that, to the best of my knowledge, information and belief, those answers are full, complete, and accurate; and that, to the best of my knowledge, information, and belief, those answers continue to be full, complete, and accurate.

In addition, I further certify on behalf of the submitting vendor that the information contained in the principal questionnaire(s) have not changed and have been verified and continue, to the best of my knowledge, to be full, complete and accurate.

I understand that Nassau County will rely on the information supplied in this certification as additional inducement to enter into a contract with the submitting entity.

Vendor Disclosures

This refers to the vendor integrity and disclosure forms submitted for the vendor doing business with the County.

Name of Submitting Entity: Ed Moore Advertising Agency Inc.

Vendor's Address: 10 Village Drive West Dix Hills NY US 11746

Vendor's EIN or TIN: 112396029

Forms Submitted: _____

Political Campaign Contribution Disclosure Form:

No Political Campaign Contribution Disclosure Forms have been selected.

Lobbyist Registration and Disclosure Form:

No Lobbyist Registration and Disclosure Forms have been selected.

Business History Form certified:

No Business History Forms have been selected.

Consultant's, Contractor's, and Vendor's Disclosure Form:

No Consultant's, Contractor's, and Vendor's Disclosure Forms have been selected.

Principal Questionnaire(s)

This refers to the most recent principal questionnaire submissions.

No principal questionnaires have been selected.

I, Joseph Kenny hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I further certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES."

Joseph Kenny EDMOOREADV@AOL.COM

Name

VP

Title

Ed Moore Advertising Agency Inc.

Name of Submitting Entity

06/17/2022 04:43:00 PM

Date



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/18/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER OneGroup NY, Inc 706 N Clinton Street Syracuse NY 13204	CONTACT NAME: Diane Harp PHONE (A/C, No, Ext): 315-457-1830 FAX (A/C, No): 315-457-7902 E-MAIL ADDRESS: dharp@onegroup.com
	INSURER(S) AFFORDING COVERAGE
INSURED Ed Moore Advertising Agency, Inc. 10 Village Drive West Huntington Station NY 11746	INSURER A : Sentinel Insurance Company
	INSURER B :
	INSURER C :
	INSURER D :
	INSURER E :
	INSURER F :

COVERAGES **CERTIFICATE NUMBER:** 766146735 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVP	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	Y	01SBMAZ1686	5/1/2022	5/1/2023	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Nassau County is included as additional insured pursuant to written contact.
AC Ocean Walk LLC, Ocean Resort Casino, and each of their subsidiaries and the officers, directors, agents, employees and assigns of each.

CERTIFICATE HOLDER County of Nassau 1550 Franklin Ave. Mineola NY 11501	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	---

AGENCY CUSTOMER ID: EDMOO

LOC #: _____



AGENCY OneGroup NY, Inc.		NAMED INSURED Ed Moore Advertising Agency, Inc.	
POLICY NUMBER		10 Village Dr W	
CARRIER	NAIC CODE	Huntington Station NY 11746	
		EFFECTIVE DATE:	

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Insurance

Coverage applies per form(s):

General Liability

IH 12 00 11 85- Additional Insured- Person-Organization

POLICY NUMBER: 01 SBM AZ1686

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - PERSON-ORGANIZATION

LOCATION 001 BUILDING 001

COUNTY OF NASSAU

1550 FRANKLIN AVE.

MINEOLA NY 11501



Certified: --

U-3-22

Filed with the
Clerk of the Nassau County Legislature
June 20, 2022 3:05PM

NIFS ID: CQPK22000010

Capital:

Contract ID #: CQPK22000010

NIFS Entry Date: 06/01/2022

Department: Parks

Service: Musical performance

Term: from 06/08/2022 to 12/31/2024

Contract Delayed: X

Slip Type: New		
CRP:		
Blanket Resolution:		
Revenue:	Federal Aid:	State Aid:
Vendor Submitted an Unsolicited Solicitation:		

1) Mandated Program:	No
2) Comptroller Approval Form Attached:	Yes
3) CSEA Agmt. & 32 Compliance Attached:	No
4) Significant Adverse Information Identified? (if yes, attach memo):	Yes
5) Insurance Required:	Yes

Vendor/Municipality Info:	
Name: BACK STAGE PASS MEDIA PRODUCTIONS, INC.	ID#: 263538746
Main Address: 190 Asharoken Ave. Northport, NY 11768	
Main Contact: Peter Mazzeo	
Main Phone: (516) 652-2835	

Department:
Contact Name: Darcy Belyea
Address: Administration Bldg. Eisenhower Park E. Meadow, NY 11554
Phone: (516) 572-0272
Email: ContractRoutingParks@nassaucountyny.gov

Contract Summary

Purpose: The performer is hereby retained to perform one (1) live musical performance by the New York Bee Gees on Saturday, June 11, 2022 from 8:00pm to 10:00pm at the Lakeside Theatre, Eisenhower Park.
Method of Procurement: RFQ# PK0408-2213-1605 issued April 8, 2022 Artists and Musical Group Performances at Lakeside Theatre at Eisenhower Park RFQ 2022 on April 8, 2022.
Procurement History: RFQ# PK0408-2213-1605 issued April 8, 2022 Artists and Musical Group Performances at Lakeside Theatre at Eisenhower Park RFQ 2022 on April 8, 2022.
Description of General Provisions: The performer is hereby retained to perform one (1) live musical performance by the New York Bee Gees on Saturday, June 11, 2022 from 8:00pm to 10:00pm at the Lakeside Theatre, Eisenhower Park. The maximum amount to be paid to the performer as consideration for the services under the Agreement is \$7,500.00. In subsequent years the cap of increase is not to exceed a maximum of 10% per year with the approval of the Parks Commissioner.
Impact on Funding / Price Analysis: None - Hotel/Motel Tax Grant Program

Total amount for 3 years is \$24,825. Encumbering \$7,500 at this time.
Change in Contract from Prior Procurement: N/A
Recommendation: Approve as Submitted

Advisement Information

Fund	Control	Resp. Center	Object	Index Code	Sub Object	Budget Code	Line	Amount
GRT	97	9700	DE	PKGRT9700OTH	DE500	PKGRT9700OTH DE500	01	\$7,500.00
Grant Number		pk97						
Grant Detail		x9						
TOTAL								\$7,500.00

Additional Info	
Blanket Encumbrance	
Transaction	
Renewal	
% Increase	
% Decrease	

Funding Source	Amount
Revenue Contract:	
County	\$0.00
Federal	\$0.00
State	\$0.00
Capital	\$0.00
Other	\$7,500.00
Total	\$7,500.00

Routing Slip

Department			
NIFS Entry	Linda Barker	06/01/2022 05:55PM	Approved
NIFS Final Approval	Linda Barker	06/01/2022 05:57PM	Approved
Final Approval	Linda Barker	06/01/2022 05:57PM	Approved
County Attorney			
Approval as to Form	Nick Sarandis	06/02/2022 11:40AM	Approved
RE & Insurance Verification	Andrew Amato	06/02/2022 09:17AM	Approved
NIFS Approval	Daniel Gregware	06/02/2022 11:58AM	Approved
Final Approval	Daniel Gregware	06/02/2022 11:58AM	Approved
OMB			
NIFS Approval	Sanju Jacob	06/02/2022 08:32AM	Approved
NIFA Approval	Christopher Nolan	06/02/2022 06:41PM	Approved
Final Approval	Christopher Nolan	06/02/2022 06:41PM	Approved
Compliance & Vertical DCE			
Procurement Compliance Approval	Robert Cleary	06/20/2022 02:18PM	Approved
DCE Compliance Approval	Robert Cleary	06/20/2022 02:18PM	Approved
Vertical DCE Approval	Edward Powers	06/20/2022 02:41PM	Approved
Final Approval	Edward Powers	06/20/2022 02:41PM	Approved
Legislative Affairs Review			
Final Approval	Christopher Leimone	06/20/2022 02:55PM	Approved
Legislature			
Final Approval			In Progress
Comptroller			
Claims Approval			Pending

Legal Approval			Pending
Accounting / NIFS Approval			Pending
Deputy Approval			Pending
Final Approval			Pending
NIFA			
NIFA Approval			Pending

RULES RESOLUTION NO. – 2022

A RESOLUTION AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE A PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF NASSAU, ACTING ON BEHALF OF THE NASSAU COUNTY DEPARTMENT OF PARKS, RECREATION & MUSEUMS AND BACK STAGE PASS MEDIA PRODUCTIONS, INC.

WHEREAS, the County has negotiated a personal services agreement with Back Stage Pass Media Productions, Inc. to arrange for live musical performance on June 11, 2022 and other musical performance in subsequent years at the Lakeside Theatre, Eisenhower Park, East Meadow, NY, a copy of which is on file with the Clerk of the Legislature; now, therefore, be it

RESOLVED, that the Rules Committee of the Nassau County Legislature authorizes the County Executive to execute the said agreement with Back Stage Pass Media Productions, Inc.

CONTRACT FOR SERVICES

THIS AGREEMENT, made as of the date this agreement is last executed by the County (together with the schedules, appendices, attachments and exhibits, if any, this "Agreement"), between **Nassau County**, a municipal corporation having its principal office at 1550 Franklin Avenue, Mineola, New York 11501 (the "County"), acting on behalf of the **County Department of Parks, Recreation & Museums**, having its principal office at Administration Building, Eisenhower Park, East Meadow, NY 11554 (the "Department"), and the **Back Stage Pass Media Productions, Inc.**, an organization, having its principal address 190 Asharoken Avenue, Northport NY 11768 (the "Performer" or "Contractor").

WITNESSETH:

WHEREAS, the County has received funding from the State of New York pursuant to State Tax Law §1202-q and appropriated said funds to the Department in accordance with said law in order to improve and advance the marketability of cultural and historic attractions located in the County;

WHEREAS, in order to provide entertainment for the residents of the County, the Department issued RFQ# PK0408-2213 ARTISTS AND MUSICAL GROUP PERFORMANCES AT LAKESIDE THEATRE AT EISENHOWER PARK RFQ 2022 on April 8, 2022.

WHEREAS, the performer was selected based on its experience and expertise; and

WHEREAS, the County desires to hire the Contractor to perform the services described in this Agreement; and

WHEREAS, the Performer desires to perform the services described in this Agreement,

NOW, THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

1. Term. This Agreement shall commence on June 8, 2022 and shall terminate on December 31, 2024, unless sooner terminated as provided for herein. The Department may in its sole discretion, renew the term of this agreement, on the same terms and conditions, for one (1) two (2) year period.

2. Program. (a) The Performer is hereby retained to perform one (1) live musical performance by the NEW YORK BEE GEES on Saturday June 11, 2022 from 8:00pm to 10:00pm, at the Lakeside Theatre, Eisenhower Park, East Meadow, NY 11554 (the "Program").

(b) The Performer must appear for a sound check on the day of the Program, at a time to be determined by the Department, and must appear at least sixty (60) minutes prior to the commencement of the program. The Performer will not receive its compensation in the event it fails to appear as stated herein.

(c) The County shall supply venue stage and sound.

(d) The Performer shall be responsible, at its own cost and expense, for supplying the Performer's set-up, breakdown, and backline. Breakdown shall commence immediately after the completion of the performance.

(e) At least ten (10) days prior to the Program, the Performer shall provide to the Department the Program's complete production details and stage plot.

3. Payment.

(a) Amount of Consideration. The maximum amount to be paid to the Contractor as full consideration for the services under this Agreement shall not exceed **Twenty four thousand eight hundred twenty-five Dollars** (\$24,825.00). This amount is inclusive of any and all expenses including travel and rehearsal and shall be payable as follows:

(i) The full payment of the maximum amount Seven Thousand Five Hundred Dollars (\$7,500.00), payable to the Performer upon the completion of the performance and submission of the payment voucher(s) as herein described. Payment of this amount shall be contingent upon submission of the standard County claim voucher (the "Voucher") pursuant to subsection (b) of this section.

(b) Vouchers; Voucher Review, Approval and Audit. All Payments shall be made in accordance with Section 3(a) above and shall be contingent upon (i) the Performer submitting Vouchers in a form satisfactory to the County that: (a) states with reasonable specificity the services to be provided and the payment requested as consideration for such services, (b) certifies that the services to be rendered and the payment requested are in accordance with this Agreement, and (c) is accompanied by documentation satisfactory to the County supporting the amount claimed, and (ii) review, approval and audit of the Voucher by the Department and/or the County Comptroller or his or her duly designated representative (the "Comptroller").

(c) No Duplication of Payments. Payments under this Agreement shall not duplicate payments for any work performed or to be performed under other agreements between the parties and any funding source including the County.

(d) Payments in Connection with Termination or Notice of Termination. Unless a provision of this Agreement expressly states otherwise, payments to the Performer following the termination of this Agreement shall not exceed payments made as consideration for services that were (i) performed prior to termination, and (ii) authorized by this Agreement to be performed. The Performer will receive no payments respecting any services performed after the Performer received notice of termination from the County.

(e) Non-Completion. Unless otherwise specifically addressed elsewhere in this Agreement, in the event the Agreement is terminated, or the Program cancelled for any reason prior to the completion of the Program, the Performer shall immediately return any and all payments that the Performer has received. The re-payment shall be made within seven (7) days from the notice of cancellation or when the performance was due, whichever is sooner.

4. Independent Contractor. The Performer is an independent contractor of the County. The Contractor shall not, nor shall any officer, director, employee, servant, agent or

independent contractor of the Performer (a "Performer Agent"), be (i) deemed a County employee, (ii) commit the County to any obligation, or (iii) hold itself, himself, or herself out as a County employee or Person with the authority to commit the County to any obligation. As used in this Agreement the word "Person" means any individual person, entity (including partnerships, corporations and limited liability companies), and government or political subdivision thereof (including agencies, bureaus, offices and departments thereof).

5. No Arrears or Default. The Contractor is not in arrears to the County upon any debt or contract and it is not in default as surety, Performer, or otherwise upon any obligation to the County, including any obligation to pay taxes to, or perform services for or on behalf of, the County.

6. Compliance with Law. (a) Generally. The Performer shall comply and shall cause all Performer Agents to comply with any and all applicable Federal, State and local Laws, including, but not limited to, those relating to the reproduction or performance of proprietary or copyrighted materials and works of third parties and to the protection of the intellectual property rights associated with such work, conflicts of interest, discrimination, disclosure of information and vendor registration in connection with its performance under this Agreement. In furtherance of the foregoing, the Contractor is bound by and shall comply with the terms of the County's vendor registration protocol. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, as the same may be amended from time to time, enacted, or adopted.

(b) Records Access. The parties acknowledge and agree that all records, information and data ("Information") acquired in connection with performance or administration of this Agreement shall be used and disclosed solely for the purpose of performance and administration of the contract or as required by law. The parties acknowledge that Information in the County's possession may be subject to disclosure under Section 87 of the New York State Public Officer's Law. In the event that such a request for disclosure is made, the County shall make reasonable efforts to notify the Performer of such request prior to disclosure of the Information so that the Performer may take such action as it deems appropriate.

COMPLIANCE WITH LAWS, REGULATIONS AND CODES:

(a) The Performer shall comply with any and all applicable Federal, State and local Laws, including, but not limited to those relating to conflicts of interest, discrimination, prevailing and living wage, disclosure of information, and vendor registration, in connection with its performance under this Permit. As used in this Agreement the word "Law" includes any and all statutes, local laws, ordinances, rules, regulations, applicable orders, and/or decrees, and any requisite approvals or permits as may be required by the County Police Department or County Department of Public Works, as the same may be amended from time to time, enacted, or adopted.

(b) Nassau County Living Wage Law. Pursuant to LL 1-1206, as amended, and to the extent that a waiver has not been obtained in accordance with such law or any rules of the County Executive, the Licensee agrees as follows:

(i) Licensee shall comply with the applicable requirements of the Living Wage Law, as amended.

(ii) Failure to comply with the Living Wage Law, as amended, may constitute a material breach of this Agreement, such breach being determined solely by the County. Licensee has the right to cure such breach within thirty days of receipt of notice of breach from the County. In the event that such breach is not timely cured, the County may terminate this Agreement as well as exercise any other rights available to the County under applicable law.

(iii) On a yearly basis, Licensee shall provide the County with any material changes to its Certificate of Compliance, attached to this Agreement as Appendix C.

(c) Performer shall be responsible for the recruitment and screening of appropriate personnel and verification of credentials, references, and suitability for working with the public, including minors. In addition, Performer shall check each prospective personnel and volunteer against the Statewide Sexual Offenders Registry. Performer agrees not to hire or retain any personnel who have not completely and truthfully reported information concerning their criminal convictions; whose criminal convictions record directly bears on their fitness to work with or in close proximity to the public, including minors, or whose employment would involve an unreasonable risk to the safety or welfare of the public, including minors, subject to and consistent with Article 23-A of the New York State Correction Law; or who have been the subject of an indicated child abuse and maltreatment report on file with the New York State Central Register of Child Abuse and Maltreatment, or are the subject of an ongoing investigation pursuant to a child abuse and maltreatment report on file with the New York State Central Register of Child Abuse and Maltreatment.

(d) Prohibition of Gifts. In accordance with County Executive Order 2-2019, the Permittee shall not offer, give, or agree to give anything of value to any County employee, agent, consultant, construction manager, or other person or firm representing the County (a "County Representative"), including members of a County Representative's immediate family, in connection with the performance by such County Representative of duties involving transactions with the Performer on behalf of the County, whether such duties are related to this Agreement or any other County contract or matter. As used herein, "anything of value" shall include, but not be limited to, meals, holiday gifts, holiday baskets, gift cards, tickets to golf outings, tickets to sporting events, currency of any kind, or any other gifts, gratuities, favorable opportunities, or preferences. For purposes of this subsection, an immediate family member shall include a spouse, child, parent, or sibling. The Performer shall include the provisions of this subsection in each subcontract entered into under this Agreement.

(e) Disclosure of Conflicts of Interest. In accordance with County Executive Order 2-2019, the Performer has disclosed as part of its response to the County's Business History Form, or other disclosure form(s), any and all instances where the Performer employs any spouse, child, or parent of a County employee of the agency or department that contracted or procured the goods and/or services described under this Agreement. The Performer shall have a continuing obligation, as circumstances arise, to update this disclosure throughout the term of this Agreement.

(f) Vendor Code of Ethics. By executing this Agreement, the Contractor hereby certifies and covenants that:

- (i) The Contractor has been provided a copy of the Nassau County Vendor Code of Ethics issued on June 5, 2019, as may be amended from time to time (the "Vendor Code of Ethics"), and will comply with all of its provisions;
- (ii) All of the Contractor's Participating Employees, as such term is defined in the Vendor Code of Ethics (the "Participating Employees"), have been provided a copy of the Vendor Code of Ethics prior to their participation in the underlying procurement;
- (iii) All Participating Employees have completed the acknowledgment required by the Vendor Code of Ethics;
- (iv) The Contractor will retain all of the signed Participating Employee acknowledgements for the period it is required to retain other records pertinent to performance under this Agreement;
- (v) The Contractor will continue to distribute the Vendor Code of Ethics, obtain signed Participating Employee acknowledgments as new Participating Employees are added or changed during the term of this Agreement, and retain such signed acknowledgments for the period the Contractor is required to retain other records pertinent to performance under this Agreement; and
- (vi) The Contractor has obtained the certifications required by the Vendor Code of Ethics from any subcontractors or other lower tier participants who have participated in procurements for work performed under this Agreement.

7. Minimum Service Standards. Regardless of whether required by Law:

(a) The Performer shall, and shall cause all Performer Agents to conduct its, his or her activities in connection with this Agreement so as not to endanger or harm any Person or property. The Performer shall prominently display on the home page of the Performer's website its scheduled performance at the Holiday Spectacular.

(b) The Performer shall deliver services under this Agreement in a professional manner consistent with the best practices of the industry in which the Performer operates. The Performer shall take all actions necessary or appropriate to meet the obligation described in the immediately preceding sentence, including obtaining and maintaining, and causing all Performer Agents to obtain and maintain, all approvals, licenses, and certifications ("Approvals") necessary or appropriate in connection with this Agreement.

8. Indemnification; Defense; Cooperation. (a) The Performer shall be solely responsible for and shall indemnify and hold harmless the County, the Department and its officers, employees, agents, volunteers and representatives (the "Indemnified Parties") from and against any and all liabilities, losses, costs, expenses (including, without limitation, attorneys' fees and disbursements) and damages ("Losses"), arising out of or in connection with any acts or omissions of the Performer or a Performer Agent, regardless of whether due to negligence, fault, or default, including Losses in connection with any threatened investigation, litigation or other proceeding or preparing a defense to or prosecuting the same; provided, however, that the Performer shall not be responsible for that portion, if any, of a Loss that is caused by the negligence of the County.

(b) The Performer shall indemnify, defend, protect and hold harmless the Indemnified Parties from and against any and all Losses arising from the use by the Performer of proprietary intellectual property of third parties (whether such claims are actual or threatened) under the copyright or other laws of the United States. The foregoing shall apply regardless of the means of publication or performance by the Performer, and shall include without limitation the use of recordings, audio broadcasts, video broadcasts and all other publication or performances whatsoever, whether now known or developed after the date of this Agreement.

(c) The Performer shall, upon the County's demand and at the County's direction, promptly and diligently defend, at the Performers own risk and expense, any and all suits, actions, or proceedings which may be brought or instituted against one or more Indemnified Parties for which the Performer are responsible under this Section, and, further to the Performer's indemnification obligations, the Performer shall pay and satisfy any judgment, decree, loss or settlement in connection therewith.

(d) The Performer shall, and shall cause all Performer Agents to cooperate with the County and the Department in connection with the investigation, defense or prosecution of any action, suit or proceeding in connection with this Agreement, including the acts or omissions of the Performer and/or a Performer Agent in connection with this Agreement.

(e) The provisions of this Section shall survive the termination of this Agreement.

9. Insurance. (a) Types and Amounts. The Contractor shall obtain and maintain throughout the term of this Agreement, at its own expense: (i) one or more policies for commercial general liability insurance, which policy(ies) shall name "Nassau County" its officials, employees, volunteers, agents, volunteers and representatives as an additional insured and have a minimum single combined limit of liability of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate coverage, (ii) if contracting in whole or part to provide professional services, one or more policies for professional liability insurance, which policy(ies) shall have a minimum single combined limit liability of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate coverage, (iii) compensation insurance for the benefit of the Contractor's employees ("Workers' Compensation Insurance"), which insurance is in compliance with the New York State Workers' Compensation Law, and (iv) such additional insurance as the County may from time to time specify. A waiver of subrogation is granted in favor of the County of Nassau.

(b) Acceptability; Deductibles; Subcontractors. All insurance obtained and maintained by the Contractors pursuant to this Agreement shall be (i) written by one or more commercial insurance carriers licensed to do business in New York State who maintain an A.M. Best rating of at least A- and acceptable to the County, and which is (ii) in form and substance acceptable to the County. The Contractor shall be solely responsible for the payment of all deductibles to which such policies are subject. The Contractor shall require any subcontractor hired in connection with this Agreement to carry insurance with the same limits and provisions required to be carried by the Contractor under this Agreement.

(c) Delivery; Coverage Change; No Inconsistent Action. Prior to the execution of this Agreement, copies of current certificates of insurance evidencing the insurance coverage required by this Agreement shall be delivered to the Department. Not less than thirty (30) days

prior to the date of any expiration or renewal of, or actual, proposed or threatened reduction or cancellation of coverage under, any insurance required hereunder, the Contractor shall provide written notice to the Department of the same and deliver to the Department renewal or replacement certificates of insurance. The Contractor shall cause all insurance to remain in full force and effect throughout the term of this Agreement and shall not take or omit to take any action that would suspend or invalidate any of the required coverages. The failure of the Contractor to maintain Workers' Compensation Insurance shall render this contract void and of no effect. The failure of the Contractor to maintain required coverages shall be deemed a material breach of this Agreement upon which the County reserves the right to consider this Agreement terminated as of the date of such failure.

IMPORTANT: a Certificate of Insurance is to be issued to the County of Nassau on an acceptable form which shows that the coverage has been obtained and that the County will be given ten (10) days of notice of cancellation.

The following must be on Certificate of Insurance to be valid and acceptable for Nassau County Department of Parks, Recreation and Museums:

Insured:

Back Stage Pass Media Productions, Inc.
190 Asharoken Avenue
Northport, New York 11768

Description of Operations:

The Certificate holder, Nassau County, is included as Additional Insured for a musical performance.

Date: June 11, 2022

Location: Lakeside Theatre and Eisenhower Park, East Meadow, New York 11554

Certificate Holder:

County of Nassau
1550 Franklin Avenue
Mineola, New York 11501

10. Assignment; Amendment; Waiver; Subcontracting. This Agreement and the rights and obligations hereunder may not be in whole or part (i) assigned, transferred or disposed of, (ii) amended, (iii) waived, or (iv) subcontracted, without the prior written consent of the County Executive or his or her duly designated deputy (the "County Executive"), and any purported assignment, other disposal or modification without such prior written consent shall be null and void. The failure of a party to assert any of its rights under this Agreement, including the right to demand strict performance, shall not constitute a waiver of such rights.

11. Termination. (a) Generally. This Agreement may be terminated (i) for any reason by the County upon ten (10) days' written notice to the Contractor (ii) for "Cause" by the County immediately upon the receipt by the Contractor of written notice of termination, (iii) upon mutual written agreement of the County and the Contractor, and (iv) in accordance with any other provisions of this Agreement expressly addressing termination.

As used in this Agreement the word "Cause" includes: (i) a breach of this Agreement; (ii) the failure to obtain and maintain in full force and effect all Approvals required for the services described in this Agreement to be legally and professionally rendered; and (iii) the termination or impending termination of federal or state funding for the services to be provided under this Agreement.

(b) By the Performer. This Agreement may be terminated by the Performer if performance becomes impracticable through no fault of the Performer where the impracticability relates to the Performers ability to perform its obligations and not to a judgment as to convenience or the desirability of continued performance. Termination under this subsection shall be effected by the Performer delivering to the commissioner or other head of the Department (the "Commissioner"), at least thirty (30) days prior to the termination date (or a shorter period if thirty days' notice is impossible), a notice stating (i) that the party is terminating this Agreement in accordance with this subsection, (ii) the date as of which this Agreement will terminate, and (iii) the facts giving rise to the party's right to terminate under this subsection. A copy of the notice given to the Commissioner shall be given to the Deputy County Executive who oversees the administration of the Department (the "Applicable DCE") on the same day that notice is given to the Commissioner.

12. Accounting Procedures; Records. The Performer shall maintain and retain, for a period of six (6) years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence, whether maintained electronically or manually ("Records"), pertinent to performance under this Agreement. Records shall be maintained in accordance with Generally Accepted Accounting Principles and, if the Performer is a non-profit entity, must comply with the accounting guidelines set forth in the federal Office of Management & Budget Circular A-122, "Cost Principles for Non-Profit Organizations." Such Records shall at all times be available for audit and inspection by the Comptroller, the Department, any other governmental authority with jurisdiction over the provision of services hereunder and/or the payment therefore, and any of their duly designated representatives. The provisions of this Section shall survive the termination of this Agreement.

13. Limitations on Actions and Special Proceedings Against the County. No action or special proceeding shall lie or be prosecuted or maintained against the County upon any claims arising out of or in connection with this Agreement unless:

(a) Notice. At least thirty (30) days prior to seeking relief, the Performer shall have presented the demand or claim(s) upon which such action or special proceeding is based in writing to the Applicable DCE for adjustment and the County shall have neglected or refused to make an adjustment or payment on the demand or claim for thirty (30) days after presentment. The Performer shall send or deliver copies of the documents presented to the Applicable DCE under this Section to each of (i) the Department and the (ii) the County Attorney (at the address specified above for the County) on the same day that documents are sent or delivered to the Applicable DCE. The complaint or necessary moving papers of the Performer shall allege that

the above-described actions and inactions preceded the Performer's action or special proceeding against the County.

(b) Time Limitation. Such action or special proceeding is commenced within the earlier of (i) one (1) year of the first to occur of (A) final payment under or the termination of this Agreement, and (B) the accrual of the cause of action, and (ii) the time specified in any other provision of this Agreement.

14. Work Performance Liability. The Performer is and shall remain primarily liable for the successful completion of all work in accordance this Agreement irrespective of whether the Performer uses a Performer Agent to perform some or all of the work contemplated by this Agreement, and irrespective of whether the use of such Performer Agent has been approved by the County.

15. Consent to Jurisdiction and Venue; Governing Law. Unless otherwise specified in this Agreement or required by Law, exclusive original jurisdiction for all claims or actions with respect to this Agreement shall be in the Supreme Court in Nassau County in New York State and the parties expressly waive any objections to the same on any grounds, including venue and forum non conveniens. This Agreement is intended as a contract under, and shall be governed and construed in accordance with, the Laws of New York State, without regard to the conflict of laws provisions thereof.

16. Notices. Any notice, request, demand or other communication required to be given or made in connection with this Agreement shall be (a) in writing, (b) delivered or sent (i) by hand delivery, evidenced by a signed, dated receipt, (ii) postage prepaid via certified mail, return receipt requested, or (iii) overnight delivery via a nationally recognized courier service, (c) deemed given or made on the date the delivery receipt was signed by a County employee, three (3) business days after it is mailed or one (1) business day after it is released to a courier service, as applicable, and (d)(i) if to the Department, to the attention of the Commissioner at the address specified above for the Department, (ii) if to an Applicable DCE, to the attention of the Applicable DCE (whose name the Performer shall obtain from the Department) at the address specified above for the County, (iii) if to the Comptroller, to the attention of the Comptroller at 240 Old Country Road, Mineola, NY 11501, and (iv) if to the Performer, to the attention of the person who executed this Agreement on behalf of the Performer at the address specified above for the Performer, or in each case to such other persons or addresses as shall be designated by written notice.

17. All Legal Provisions Deemed Included; Severability; Supremacy. (a) Every provision required by Law to be inserted into or referenced by this Agreement is intended to be a part of this Agreement. If any such provision is not inserted or referenced or is not inserted or referenced in correct form then (i) such provision shall be deemed inserted into or referenced by this Agreement for purposes of interpretation and (ii) upon the application of either party this Agreement shall be formally amended to comply strictly with the Law, without prejudice to the rights of either party.

(b) In the event that any provision of this Agreement shall be held to be invalid, illegal or unenforceable; the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) Unless the application of this subsection will cause a provision required by Law to be excluded from this Agreement, in the event of an actual conflict between the terms and conditions set forth above the signature page to this Agreement and those contained in any schedule, exhibit, appendix, or attachment to this Agreement, the terms and conditions set forth above the signature page shall control. To the extent possible, all the terms of this Agreement should be read together as not conflicting.

18. Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

19. Miscellaneous.

(a) The Performer hereby acknowledges and agrees that the Department shall have sole discretion in determining whether the Program should be cancelled due to inclement weather or other dangerous or emergency condition. The decision to cancel the Program due to inclement weather or other dangerous or emergency condition may be made by the Department up to one half (1/2) hour before the commencement of the Program. In the event the Program is cancelled due to inclement weather or other dangerous or emergency condition, not caused by the Performer, the Performer shall be paid in full, provided the Performer was willing and able to perform, appeared at the sound check and at the venue prior to the Program being cancelled. In the event that the program is cancelled prior to the Performer performing as stated in this section, the Performer shall return all payments received by the Performer pursuant to Section 3, above.

(b) The Performer grants the Department a limited, non-exclusive, license to use the Performer's name, image and Trademark (as hereinafter defined) in connection with advertising, promotion and/or publicity for the Program. Without the prior written approval by the Department, the County and Department's Trademark shall not be used in connection with the Performers own promotion and advertisement of the Program. For this Agreement, the term "Trademark" shall include name, trade names, service marks, logos, symbols, design image, seals, flag and symbols.

(c) Each party will bear the cost of its own development, production, promotion and distribution of their respective promotional materials. Each party warrants that their respective promotional materials will be of high standard, style, appearance and quality so as not to reflect adversely upon the good names of the parties.

(d) The Performer represents and warrants that it is the authorized agent for the Performer and has the authority to enter into this Agreement on the behalf of the Performer and agrees that as the authorized agent, by executing this Agreement, the Performer shall be bound by the terms and conditions contained herein. The Performer further acknowledges and agrees for the purposes of undertaking this Agreement each shall be jointly and severally liable to third parties, including, but not limited to, the County, for the acts or omissions of the Performer.

(e) Performer acknowledges that the Nassau County Executive shall make introductory remarks at the beginning of the Program.

(f) The Performer shall make itself available for photographs prior to the performance.

(g) All authorized County personnel and Contractors shall have unrestricted access to the backstage areas and all other areas required to be accessed during the Program. The Commissioner of Parks or his representative shall make any determination as to those employees and/or Contractors who shall have such access.

(h) All final decisions respecting stage and set decorations shall be made by the Commissioner or his designated representative, in his sole discretion.

20. Streaming Video. The Performer and/or Performer hereby acknowledge that the County, in its sole discretion, may elect to stream the performance live over the Nassau County website for the benefit of Nassau County residents.

21. Executory Clause. Notwithstanding any other provision of this Agreement:

- (a) Approval and Execution. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person unless (i) all County approvals have been obtained, including, if required, approval by the County Legislature, and (ii) this Agreement has been executed by the County Executive (as defined in this Agreement).
- (b) Availability of Funds. The County shall have no liability under this Agreement (including any extension or other modification of this Agreement) to any Person beyond funds appropriated or otherwise lawfully available for this Agreement, and, if any portion of the funds for this Agreement are from the state and/or federal governments, then beyond funds available to the County from the state and/or federal governments.

22. Entire Agreement. This Agreement represents the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersedes all prior agreements (whether written or oral) of the parties relating to the subject matter of this Agreement.

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IN WITNESS WHEREOF, the Performer and the County have executed this Agreement as of the date first above written.

Back Stage Pass Media Productions, Inc.

By: BACK STAGE PASS MEDIA PROD, INC
Name: PETER J. RAZZO
Title: PRESIDENT
Date: 5/31/22

NASSAU COUNTY

By: _____
Name: _____
Title: County Executive
(or) _____ Chief Deputy County Executive
(or) _____ Deputy County Executive
Date: _____

PLEASE EXECUTE IN BLUE INK

Florida
STATE OF NEW YORK)
Palm Beach)ss.:
COUNTY OF NASSAU)

On the 31 day of MAY in the year 2022 before me personally came ROBERT J. MAZZEO to me personally known, who, being by me duly sworn, did depose and say that he or she resides in the County of SUFFOLK; that he or she is the PROSIDENT of BACK STAGE MASS MEDIA, the corporation described herein and which executed the above instrument; and that he or she signed his or her name thereto by authority of the board of directors of said corporation.


NOTARY PUBLIC



MARK L. JONES
Commission # HH 187563
Expires January 14, 2026
Bonded Thru Budget Notary Services

STATE OF NEW YORK)
)ss.:
COUNTY OF NASSAU)

On the ___ day of _____ in the year ___ before me personally came _____ to me personally known, who, being duly sworn, did depose and said that (s)he resides in _____ County; that (s)he is the County Executive or _____ Chief Deputy County Executive or _____ Deputy County Executive of the County of Nassau, the municipal corporation described herein and which executed the above instrument; and that (s)he signed his/her name thereto.

NOTARY PUBLIC

Appendix L

Certificate of Compliance

In compliance with Local Law 1-2006, as amended (the "Law"), the Permittee hereby certifies the following:

1. The chief executive officer of the Performer is:

PETER J. MAZZEO (Name)
190 ASHROKER AVE, NORTH BAY, NY 11768 (Address)
516 652-2835 (Telephone Number)

2. The Permittee agrees to either (1) comply with the requirements of the Nassau County Living Wage Law or (2) as applicable, obtain a waiver of the requirements of the Law pursuant to section 9 of the Law. In the event that the contractor does not comply with the requirements of the Law or obtain a waiver of the requirements of the Law, and such contractor establishes to the satisfaction of the Department that at the time of execution of this agreement, it had a reasonable certainty that it would receive such waiver based on the Law and Rules pertaining to waivers, the County will agree to terminate the contract without imposing costs or seeking damages against the Contractor
3. In the past five years, Performer _____ has has not been found by a court or a government agency to have violated federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If a violation has been assessed against the Permittee, describe below:

4. In the past five years, an administrative proceeding, investigation, or government body-initiated judicial action _____ has has not been commenced against or relating to the Permittee in connection with federal, state, or local laws regulating payment of wages or benefits, labor relations, or occupational safety and health. If such a proceeding, action, or investigation has been commenced, describe below:

5. Performer agrees to permit access to work sites and relevant payroll records by authorized County representatives for the purpose of monitoring compliance with the Living Wage Law and investigating employee complaints of noncompliance.

I hereby certify that I have read the foregoing statement and, to the best of my knowledge and belief, it is true, correct and complete. Any statement or representation made herein shall be accurate and true as of the date stated below.

5/31/22
Dated

Peter Mazzeo
Signature of Chief Executive Officer

Peter J. MAZZEO
Name of Chief Executive Officer

Sworn to before me this
31 day of May, 2022.

Mark L. Jones
Notary Public



MARK L. JONES
Commission # HH 187563
Expires January 14, 2026
Bonded Thru Budget Notary Services



Nassau County Interim Finance Authority

Contract Approval Request Form (As of January 1, 2015)

1. Vendor: BACK STAGE PASS MEDIA PRODUCTIONS, INC.

2. Amount requiring NIFA approval: \$24,825.00

Amount to be encumbered: \$7,500.00

Slip Type: New

If new contract - \$ amount should be full amount of contract

If advisement - NIFA only needs to review if it is increasing funds above the amount previously approved by NIFA

If amendment - \$ amount should be full amount of amendment only

3. Contract Term: 06/08/2022 to 12/31/2024

Has work or services on this contract commenced? Yes

If yes, please explain: The concert took place before contract was fully processed.

4. Funding Source:

General Fund (GEN)		Grant Fund (GRT)	
Capital Improvement Fund (CAP)		Other	X
		Hotel Motel Tax Grant Fund	
Federal %	0		
State %	0		
County %	0		
Other %	100		

Is the cash available for the full amount of the contract? Yes

If not, will it require a future borrowing? No

Has the County Legislature approved the borrowing? N/A

Has NIFA approved the borrowing for this contract? N/A

5. Provide a brief description (4 to 5 sentences) of the item for which this approval is requested:

The performer is hereby retained to perform one (1) live musical performance by the New York Bee Gees on Saturday, June 11, 2022 from 8:00pm to 10:00pm at the Lakeside Theatre, Eisenhower Park.

6. Has the item requested herein followed all proper procedures and thereby approved by the:

Nassau County Attorney as to form Yes

Nassau County Committee and/or Legislature

Date of approval(s) and citation to the resolution where approval for this item was provided:

7. Identify all contracts (with dollar amounts) with this or an affiliated party within the prior 12 months:

Contract ID	Posting Date	Amount Added in Prior 12 Months
-------------	--------------	---------------------------------

AUTHORIZATION

To the best of my knowledge, I hereby certify that the information contained in this Contract Approval Request Form and any additional information submitted in connection with this request is true and accurate and that all expenditures that will be made in reliance on this authorization are in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan. I understand that NIFA will rely upon this information in its official deliberations.

CNOLAN

06/02/2022

Authenticated User

Date

COMPTROLLER'S OFFICE

To the best of my knowledge, I hereby certify that the information listed is true and accurate and is in conformance with the Nassau County Approved Budget and not in conflict with the Nassau County Multi-Year Financial Plan.

Regarding funding, please check the correct response:

I certify that the funds are available to be encumbered pending NIFA approval of this contract.

If this is a capital project:

I certify that the bonding for this contract has been approved by NIFA.

Budget is available and funds have been encumbered but the project requires NIFA bonding authorization.

Authenticated User

Date

NIFA

Amount being approved by NIFA:

Payment is not guaranteed for any work commenced prior to this approval.

Authenticated User

Date

NOTE: All contract submissions MUST include the County's own routing slip, current NIFS printouts for all relevant accounts and relevant Nassau County Legislature communication documents and relevant supplemental information pertaining to the item requested herein.

NIFA Contract Approval Request Form MUST be filled out in its entirety before being submitted to NIFA for review.

NIFA reserves the right to request additional information as needed.

Elaine Phillips
Comptroller



OFFICE OF THE COMPTROLLER
240 Old Country Road
Mineola, New York 11501

COMPTROLLER APPROVAL FORM FOR PERSONAL, PROFESSIONAL OR HUMAN SERVICES CONTRACTS

Attach this form along with all personal, professional or human services contracts, contract renewals, extensions and amendments.

CONTRACTOR NAME: BACK STAGE PASS MEDIA PRODUCTIONS, INC.

CONTRACTOR ADDRESS: 190 Asharoken Ave., Northport, NY 11768

FEDERAL TAX ID #: 26-3538746

Instructions: Please check the appropriate box ("") after one of the following roman numerals, and provide all the requested information.

I. The contract was awarded to the lowest, responsible bidder after advertisement for sealed bids. The contract was awarded after a request for sealed bids was published in _____ [newspaper] on _____ [date]. The sealed bids were publicly opened on _____ [date]. _____ [#] of sealed bids were received and opened.

II. The contractor was selected pursuant to a Request for Proposals.

The Contract was entered into after a written request for qualifications was issued on April 8, 2022. Potential proposers were made aware of the availability of the RFQ by advertisement in Newsday on April 8, 2022, posting on industry websites, via email to interested parties and by publication on the County procurement website. Eighteen (18) of potential proposers received notice of the RFQ. Eighteen (18) viewed the documents, Fifteen (15) of potential proposers opened the documents and requested a copy of the RFQ on the Nassau County website. Ten (10) Potential Proposers were sent a link to access the RFQ on the Nassau County website via email. Proposals were due on April 22, 2022. Addendum No. 1 issued on April 20, 2022 extended the due date to April 29, 2022. A total of Ten (10) proposals were received and evaluated. The evaluation committee consisted of: Six (6) employees of the Department of Parks, Recreation & Museums; Christine Fairchild, Cynthia Gillen, Paul Wygand, Dave Franklin and Frank Alagia and Karen Beckhard-Ravener (Non-Voting Member Technical Advisor). The proposals were scored and ranked. As a result of the scoring and ranking, the one (1) highest-ranking proposer was selected. BACK STAGE PASS MEDIA PRODUCTIONS, INC. was the sole proposer for the Bee Gees Tribute Band. BACK STAGE PASS MEDIA PRODUCTIONS, INC. was the awarded Proposer.

III. This is a renewal, extension or amendment of an existing contract.

The contract was originally executed by Nassau County on _____ [date]. This is a renewal or extension pursuant to the contract, or an amendment within the scope of the contract or RFP (copies of the relevant pages are attached). The original contract was entered into after _____

_____ [describe procurement method, i.e., RFP, three proposals evaluated, etc.] Attach a copy of the most recent evaluation of the contractor's performance for any contract to be renewed or extended. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to continue to contract with the county.

IV. Pursuant to Executive Order No. 1 of 1993, as amended, at least three proposals were solicited and received. The attached memorandum from the department head describes the proposals received, along with the cost of each proposal.

- A. The contract has been awarded to the proposer offering the lowest cost proposal; **OR:**
- B. The attached memorandum contains a detailed explanation as to the reason(s) why the contract was awarded to other than the lowest-cost proposer. The attachment includes a specific delineation of the unique skills and experience, the specific reasons why a proposal is deemed superior, and/or why the proposer has been judged to be able to perform more quickly than other proposers.

V. Pursuant to Executive Order No. 1 of 1993 as amended, the attached memorandum from the department head explains why the department did not obtain at least three proposals.

- A. There are only one or two providers of the services sought or less than three providers submitted proposals. The memorandum describes how the contractor was determined to be the sole source provider of the personal service needed or explains why only two proposals could be obtained. If two proposals were obtained, the memorandum explains that the contract was awarded to the lowest cost proposer, or why the selected proposer offered the higher quality proposal, the proposer's unique and special experience, skill, or expertise, or its availability to perform in the most immediate and timely manner.
- B. The memorandum explains that the contractor's selection was dictated by the terms of a federal or New York State grant, by legislation or by a court order. (Copies of the relevant documents are attached).
- C. Pursuant to General Municipal Law Section 104, the department is purchasing the services required through a New York State Office of General Services contract no. _____, and the attached memorandum explains how the purchase is within the scope of the terms of that contract.

D. Pursuant to General Municipal Law Section 119-o, the department is purchasing the services required through an inter-municipal agreement.

VI. This is a human services contract with a not-for-profit agency for which a competitive process has not been initiated. Attached is a memorandum that explains the reasons for entering into this contract without conducting a competitive process, and details when the department intends to initiate a competitive process for the future award of these services. For any such contract, where the vendor has previously provided services to the county, attach a copy of the most recent evaluation of the vendor's performance. If the contractor has not received a satisfactory evaluation, the department must explain why the contractor should nevertheless be permitted to contract with the county.

In certain limited circumstances, conducting a competitive process and/or completing performance evaluations may not be possible because of the nature of the human services program, or because of a compelling need to continue services through the same provider. In those circumstances, attach an explanation of why a competitive process and/or performance evaluation is inapplicable.

VII. This is a public works contract for the provision of architectural, engineering or surveying services. The attached memorandum provides details of the department's compliance with Board of Supervisors' Resolution No. 928 of 1993, including its receipt and evaluation of annual Statements of Qualifications & Performance Data, and its negotiations with the most highly qualified firms.

Instructions with respect to Sections VIII, IX and X: All Departments must check the box for VIII. Then, check the box for either IX or X, as applicable.

VIII. Participation of Minority Group Members and Women in Nassau County Contracts. The selected contractor has agreed that it has an obligation to utilize best efforts to hire MWBE sub-contractors. Proof of the contractual utilization of best efforts as outlined in Exhibit "EE" may be requested at any time, from time to time, by the Comptroller's Office prior to the approval of claim vouchers.

IX. Department MWBE responsibilities. To ensure compliance with MWBE requirements as outlined in Exhibit "EE", Department will require vendor to submit list of sub-contractor requirements prior to submission of the first claim voucher, for services under this contract being submitted to the Comptroller.

X. Vendor will not require any sub-contractors.

In addition, if this is a contract with an individual or with an entity that has only one or two employees: a review of the criteria set forth by the Internal Revenue Service, *Revenue Ruling No. 87-41, 1987-1 C.B. 296*, attached as Appendix A to the Comptroller's Memorandum, dated February 13, 2004, concerning independent contractors and employees indicates that the contractor would not be considered an employee for federal tax purposes.


Darcy A. Belyea, Commissioner

5-31-22
Date

NOTE: Any information requested above, or in the exhibit below, may be included in the county's "staff summary" form in lieu of a separate memorandum.



COUNTY OF NASSAU

POLITICAL CAMPAIGN CONTRIBUTION DISCLOSURE FORM

1. Has the vendor or any corporate officers of the vendor provided campaign contributions pursuant to the New York State Election Law in (a) the period beginning April 1, 2016 and ending on the date of this disclosure, or (b), beginning April 1, 2018, the period beginning two years prior to the date of this disclosure and ending on the date of this disclosure, to the campaign committees of any of the following Nassau County elected officials or to the campaign committees of any candidates for any of the following Nassau County elected offices: the County Executive, the County Clerk, the Comptroller, the District Attorney, or any County Legislator?

YES NO If yes, to what campaign committee?

2. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

The undersigned further certifies and affirms that the contribution(s) to the campaign committees identified above were made freely and without duress, threat or any promise of a governmental benefit or in exchange for any benefit or remuneration.

Electronically signed and certified at the date and time indicated by:
Peter J Mazzeo [PMHITSQUAD@GMAIL.COM]

Dated: 05/16/2022 02:32:37 PM

Vendor: Back Stage Pass Media Productions. Inc.

Title: President

PRINCIPAL QUESTIONNAIRE FORM

All questions on these questionnaires must be answered by all officers and any individuals who hold a ten percent (10%) or greater ownership interest in the proposer. Answers typewritten or printed in ink. If you need more space to answer any question, make as many photocopies of the appropriate page(s) as necessary and attach them to the questionnaire.

COMPLETE THIS QUESTIONNAIRE CAREFULLY AND COMPLETELY. FAILURE TO SUBMIT A COMPLETE QUESTIONNAIRE MAY MEAN THAT YOUR BID OR PROPOSAL WILL BE REJECTED AS NON-RESPONSIVE AND IT WILL NOT BE CONSIDERED FOR AWARD

1. Principal Name: Peter J Mazzeo
Date of birth: 03/30/1959
Home address: 190 Asharoken Ave.
City: Northport State/Province/Territory: NY Zip/Postal Code: 11768
Country: US

Business Address: 190 Asharoken Ave
City: Northport State/Province/Territory: NY Zip/Postal Code: 11768
Country: US
Telephone: 516-652-2835

Other present address(es):
City: _____ State/Province/Territory: _____ Zip/Postal Code: _____
Country: _____
Telephone: _____

List of other addresses and telephone numbers attached

2. Positions held in submitting business and starting date of each (check all applicable)

President	<u>10/06/2008</u>	Treasurer	_____
Chairman of Board	_____	Shareholder	_____
Chief Exec. Officer	_____	Secretary	_____
Chief Financial Officer	_____	Partner	_____
Vice President	_____		
(Other)	_____		

3. Do you have an equity interest in the business submitting the questionnaire?

YES NO If Yes, provide details.

I am 100 percent owner

4. Are there any outstanding loans, guarantees or any other form of security or lease or any other type of contribution made in whole or in part between you and the business submitting the questionnaire?

YES NO If Yes, provide details.

5. Within the past 3 years, have you been a principal owner or officer of any business or notfor-profit organization other than the one submitting the questionnaire?

YES NO If Yes, provide details.

6. Has any governmental entity awarded any contracts to a business or organization listed in Section 5 in the past 3 years while you were a principal owner or officer?

YES NO If Yes, provide details.

NOTE: An affirmative answer is required below whether the sanction arose automatically, by operation of law, or as a result of any action taken by a government agency. Provide a detailed response to all questions checked "YES". If you need more space, photocopy the appropriate page and attach it to the questionnaire.

7. In the past (5) years, have you and/or any affiliated businesses or not-for-profit organizations listed in Section 5 in which you have been a principal owner or officer:

a. Been debarred by any government agency from entering into contracts with that agency?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Been declared in default and/or terminated for cause on any contract, and/or had any contracts cancelled for cause?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Been denied the award of a contract and/or the opportunity to bid on a contract, including, but not limited to, failure to meet pre-qualification standards?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. Been suspended by any government agency from entering into any contract with it; and/or is any action pending that could formally debar or otherwise affect such business's ability to bid or propose on contract?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

8. Have any of the businesses or organizations listed in response to Question 5 filed a bankruptcy petition and/or been the subject of involuntary bankruptcy proceedings during the past 7 years, and/or for any portion of the last 7 year period, been in a state of bankruptcy as a result of bankruptcy proceedings initiated more than 7 years ago and/or is any such business now the subject of any pending bankruptcy proceedings, whenever initiated?

YES NO If 'Yes', provide details for each such instance. (Provide a detailed response to all questions check "Yes". If you need more space, photocopy the appropriate page and attached it to the questionnaire.)

9.

a. Is there any felony charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

b. Is there any misdemeanor charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

c. Is there any administrative charge pending against you?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

d. In the past 10 years, have you been convicted, after trial or by plea, of any felony, or of any other crime, an element of which relates to truthfulness or the underlying facts of which related to the conduct of business? Y

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

e. In the past 5 years, have you been convicted, after trial or by plea, of a misdemeanor?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

f. In the past 5 years, have you been found in violation of any administrative or statutory charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

10. In addition to the information provided in response to the previous questions, in the past 5 years, have you been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency and/or the subject of an investigation where such investigation was related to activities performed at, for, or on behalf of the submitting business entity and/or an affiliated business listed in response to Question 5?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

11. In addition to the information provided, in the past 5 years has any business or organization listed in response to Question 5, been the subject of a criminal investigation and/or a civil anti-trust investigation and/or any other type of investigation by any government agency, including but not limited to federal, state, and local regulatory agencies while you were a principal owner or officer?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

12. In the past 5 years, have you or this business, or any other affiliated business listed in response to Question 5 had any sanction imposed as a result of judicial or administrative proceedings with respect to any professional license held?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

13. For the past 5 tax years, have you failed to file any required tax returns or failed to pay any applicable federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?

YES NO If yes, provide an explanation of the circumstances and corrective action taken.

I, Peter J Mazzeo , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Peter J Mazzeo , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Back Stage Pass Media Productions, Inc.

Name of submitting business

Electronically signed and certified at the date and time indicated by:

Peter J Mazzeo [PMHITSQUAD@GMAIL.COM]

President

Title

05/16/2022 02:41:30 PM

Date

COUNTY OF NASSAU

CONSULTANT'S, CONTRACTOR'S AND VENDOR'S DISCLOSURE FORM

1. Name of the Entity: Back Stage Pass Media Productions, Inc.

Address: 190 Asharoken Ave

City: Northport State/Province/Territory: NY Zip/Postal Code: 11768

Country: US

2. Entity's Vendor Identification Number: 26-3538746

3. Type of Business: Other (specify) S Corp

4. List names and addresses of all principals; that is, all individuals serving on the Board of Directors or comparable body, all partners and limited partners, all corporate officers, all parties of Joint Ventures, and all members and officers of limited liability companies (attach additional sheets if necessary):

No principals have been attached to this form.

5. List names and addresses of all shareholders, members, or partners of the firm. If the shareholder is not an individual, list the individual shareholders/partners/members. If a Publicly held Corporation, include a copy of the 10K in lieu of completing this section.

If none, explain.

I am sole owner of corp.

No shareholders, members, or partners have been attached to this form.

6. List all affiliated and related companies and their relationship to the firm entered on line 1. above (if none, enter "None"). Attach a separate disclosure form for each affiliated or subsidiary company that may take part in the performance of this contract. Such disclosure shall be updated to include affiliated or subsidiary companies not previously disclosed that participate in the performance of the contract.

None

7. List all lobbyists whose services were utilized at any stage in this matter (i.e., pre-bid, bid, post-bid, etc.). If none, enter "None." The term "lobbyist" means any and every person or organization retained, employed or designated by any client to influence - or promote a matter before - Nassau County, its agencies, boards, commissions, department heads, legislators or committees, including but not limited to the Open Space and Parks Advisory Committee and Planning Commission. Such matters include, but are not limited to, requests for proposals, development or improvement of real property subject to County regulation, procurements. The term "lobbyist" does not include any officer, director, trustee, employee, counsel or agent of the County of Nassau, or State of New York, when discharging his or her official duties.

Are there lobbyists involved in this matter?

YES NO

(a) Name, title, business address and telephone number of lobbyist(s):

(b) Describe lobbying activity of each lobbyist. See below for a complete description of lobbying activities.

(c) List whether and where the person/organization is registered as a lobbyist (e.g., Nassau County, New York State):

NY

8. VERIFICATION: This section must be signed by a principal of the consultant, contractor or Vendor authorized as a signatory of the firm for the purpose of executing Contracts.

The undersigned affirms and so swears that he/she has read and understood the foregoing statements and they are, to his/her knowledge, true and accurate.

Electronically signed and certified at the date and time indicated by:

Peter Mazzeo [PMHITSQUAD@GMAIL.COM]

Dated: 05/16/2022 02:45:11 PM

Title: President

The term lobbying shall mean any attempt to influence: any determination made by the Nassau County Legislature, or any member thereof, with respect to the introduction, passage, defeat, or substance of any local legislation or resolution; any determination by the County Executive to support, oppose, approve or disapprove any local legislation or resolution, whether or not such legislation has been introduced in the County Legislature; any determination by an elected County official or an officer or employee of the County with respect to the procurement of goods, services or construction, including the preparation of contract specifications, including but not limited to the preparation of requests for proposals, or solicitation, award or administration of a contract or with respect to the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies; any determination made by the County Executive, County Legislature, or by the County of Nassau, its agencies, boards, commissions, department heads or committees, including but not limited to the Open Space and Parks Advisory Committee, the Planning Commission, with respect to the zoning, use, development or improvement of real property subject to County regulation, or any agencies, boards, commissions, department heads or committees with respect to requests for proposals, bidding, procurement or contracting for services for the County; any determination made by an elected county official or an officer or employee of the county with respect to the terms of the acquisition or disposition by the county of any interest in real property, with respect to a license or permit for the use of real property of or by the county, or with respect to a franchise, concession or revocable consent; the proposal, adoption, amendment or rejection by an agency of any rule having the force and effect of law; the decision to hold, timing or outcome of any rate making proceeding before an agency; the agenda or any determination of a board or commission; any determination regarding the calendaring or scope of any legislature oversight hearing; the issuance, repeal, modification or substance of a County Executive Order; or any determination made by an elected county official or an officer or employee of the county to support or oppose any state or federal legislation, rule or regulation, including any determination made to support or oppose that is contingent on any amendment of such legislation, rule or regulation, whether or not such legislation has been formally introduced and whether or not such rule or regulation has been formally proposed.

Business History Form

The contract shall be awarded to the responsible proposer who, at the discretion of the County, taking into consideration the reliability of the proposer and the capacity of the proposer to perform the services required by the County, offers the best value to the County and who will best promote the public interest.

In addition to the submission of proposals, each proposer shall complete and submit this questionnaire. The questionnaire shall be filled out by the owner of a sole proprietorship or by an authorized representative of the firm, corporation or partnership submitting the Proposal.

NOTE: All questions require a response, even if response is "none" or "not-applicable." No blanks.

(USE ADDITIONAL SHEETS IF NECESSARY TO FULLY ANSWER THE FOLLOWING QUESTIONS).

Date: 05/16/2022

1) Proposer's Legal Name: Peter J Mazzeo

2) Address of Place of Business: 190 Asharoken Ave

City: Northport State/Province/Territory: NY Zip/Postal Code: 11768

Country: US

3) Mailing Address (if different): _____

City: Northport State/Province/Territory: NY Zip/Postal Code: 11768

Country: US

Phone: (516) 652-2835

Does the business own or rent its facilities? Rent If other, please provide details:

4) Dun and Bradstreet number: n/a

5) Federal I.D. Number: 26-3538746

6) The proposer is a: Other (Describe) S Corp

7) Does this business share office space, staff, or equipment expenses with any other business?

YES NO If yes, please provide details:

8) Does this business control one or more other businesses?

YES NO If yes, please provide details:

9) Does this business have one or more affiliates, and/or is it a subsidiary of, or controlled by, any other business?

YES NO If yes, please provide details:

10) Has the proposer ever had a bond or surety cancelled or forfeited, or a contract with Nassau County or any other government entity terminated?
YES NO If yes, state the name of bonding agency, (if a bond), date, amount of bond and reason for such cancellation or forfeiture: or details regarding the termination (if a contract).

11) Has the proposer, during the past seven years, been declared bankrupt?
YES NO If yes, state date, court jurisdiction, amount of liabilities and amount of assets

12) In the past five years, has this business and/or any of its owners and/or officers and/or any affiliated business, been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency? And/or, in the past 5 years, have any owner and/or officer of any affiliated business been the subject of a criminal investigation and/or a civil anti-trust investigation by any federal, state or local prosecuting or investigative agency, where such investigation was related to activities performed at, for, or on behalf of an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

13) In the past 5 years, has this business and/or any of its owners and/or officers and/or any affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies? And/or, in the past 5 years, has any owner and/or officer of an affiliated business been the subject of an investigation by any government agency, including but not limited to federal, state and local regulatory agencies, for matters pertaining to that individual's position at or relationship to an affiliated business.
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

14) Has any current or former director, owner or officer or managerial employee of this business had, either before or during such person's employment, or since such employment if the charges pertained to events that allegedly occurred during the time of employment by the submitting business, and allegedly related to the conduct of that business:
a) Any felony charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

b) Any misdemeanor charge pending?
YES NO If yes, provide details for each such investigation, an explanation of the circumstances and corrective action taken.

c) In the past 10 years, you been convicted, after trial or by plea, of any felony and/or any other crime, an

element of which relates to truthfulness or the underlying facts of which related to the conduct of business?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

d) In the past 5 years, been convicted, after trial or by plea, of a misdemeanor?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

e) In the past 5 years, been found in violation of any administrative, statutory, or regulatory provisions?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

15) In the past (5) years, has this business or any of its owners or officers, or any other affiliated business had any
sanction imposed as a result of judicial or administrative proceedings with respect to any professional license
held?
YES NO If yes, provide details for each such investigation, an explanation of the
circumstances and corrective action taken.

16) For the past (5) tax years, has this business failed to file any required tax returns or failed to pay any applicable
federal, state or local taxes or other assessed charges, including but not limited to water and sewer charges?
YES NO If yes, provide details for each such year. Provide a detailed response to all
questions checked 'YES'. If you need more space, photocopy the appropriate page and attach it to the
questionnaire.

17 Conflict of Interest:

a) Please disclose any conflicts of interest as outlined below. NOTE: If no conflicts exist, please expressly
state "No conflict exists."

(i) Any material financial relationships that your firm or any firm employee has that may create a conflict
of interest or the appearance of a conflict of interest in acting on behalf of Nassau County.

NO CONFLICT EXISTS

(ii) Any family relationship that any employee of your firm has with any County public servant that may
create a conflict of interest or the appearance of a conflict of interest in acting on behalf of Nassau
County.

NO CONFLICT EXISTS

(iii) Any other matter that your firm believes may create a conflict of interest or the appearance of a
conflict of interest in acting on behalf of Nassau County.

NO CONFLICT EXISTS

b) Please describe any procedures your firm has, or would adopt, to assure the County that a conflict of interest would not exist for your firm in the future.

No conflict exists. If one arises the County will be notified to make a determination

A. Include a resume or detailed description of the Proposer's professional qualifications, demonstrating extensive experience in your profession. Any prior similar experiences, and the results of these experiences, must be identified.

Have you previously uploaded the below information under in the Document Vault?

YES NO

Is the proposer an individual?

YES NO Should the proposer be other than an individual, the Proposal MUST include:

i) Date of formation;

10/06/2008

ii) Name, addresses, and position of all persons having a financial interest in the company, including shareholders, members, general or limited partner. If none, explain.

NONE. I am sole owner

No individuals with a financial interest in the company have been attached..

iii) Name, address and position of all officers and directors of the company. If none, explain.

Peter J Mazzeo - President

No officers and directors from this company have been attached.

iv) State of incorporation (if applicable);

NY

v) The number of employees in the firm;

1

vi) Annual revenue of firm;

50000

vii) Summary of relevant accomplishments

THE NEW YORK BEE GEES TRIBUTE SHOW has performed nationally in well-known Theaters, Casinos & Resort venues for 8 years.

Some are: BB KING, RESORTS CASINO, BALLY'S CASINO, COUNT BASIE THEATER,

PARAMOUNT THEATER - HUNTINGTON, NY - THE PARAMOUNT - AUSTIN, TX,

THE LYNN THEATER- BOSTON, POLK THEATER, NASHVILLE, TN - KNIGHT PERF. ARTS

CENTER, NC - VENICE PERF. ARTS CENTER - FL

viii) Copies of all state and local licenses and permits.

B. Indicate number of years in business.

14

C. Provide any other information which would be appropriate and helpful in determining the Proposer's capacity and reliability to perform these services.

THE NEW YORK BEE GEES TRIBUTE SHOW has performed nationally in well-known Theaters, Casinos & Resort venues for 8 years.
Some are: BB KING, RESORTS CASINO, BALLY'S CASINO, COUNT BASIE THEATER, PARAMOUNT THEATER - HUNTINGTON, NY - THE PARAMOUNT - AUSTIN, TX,
THE LYNN THEATER- BOSTON, POLK THEATER, NASHVILLE, TN - KNIGHT PERF. ARTS CENTER, NC - VENICE PERF. ARTS CENTER - FL

D. Provide names and addresses for no fewer than three references for whom the Proposer has provided similar services or who are qualified to evaluate the Proposer's capability to perform this work.

Company CRAIG NEIER ASSOCITES
Contact Person CRAIG NEIER
Address 1011 Bloomfield Ave #2b, West Caldwell, NJ 07006
City WEST CALDWELL State/Province/Territory NJ
Country US
Telephone (908) 642-8991
Fax #
E-Mail Address Cneier@aol.com

Company ROBERT MAFFIA
Contact Person ROBERT MAFFIA
Address 99 WOODVIEW DR
City MANCHESTER TWP State/Province/Territory NJ
Country US
Telephone (973) 714-8046
Fax #
E-Mail Address MAFFIA07281@HOTMAIL.COM

Company LOCAL BEAT PRODUCTIONS
Contact Person KAREN WOODEN
Address 658 ROSSMOOR CIRCLE
City MELBOURNE State/Province/Territory FL
Country US
Telephone (714) 222-6814
Fax #
E-Mail Address Karenwooden2@gmail.com

I, Peter J Mazzeo , hereby acknowledge that a materially false statement willfully or fraudulently made in connection with this form may result in rendering the submitting business entity and/or any affiliated entities non-responsible, and, in addition, may subject me to criminal charges.

I, Peter J Mazzeo , hereby certify that I have read and understand all the items contained in this form; that I supplied full and complete answers to each item therein to the best of my knowledge, information and belief; that I will notify the County in writing of any change in circumstances occurring after the submission of this form; and that all information supplied by me is true to the best of my knowledge, information and belief. I understand that the County will rely on the information supplied in this form as additional inducement to enter into a contract with the submitting business entity.

CERTIFICATION

A MATERIALLY FALSE STATEMENT WILLFULLY OR FRAUDULENTLY MADE IN CONNECTION WITH THIS QUESTIONNAIRE MAY RESULT IN RENDERING THE SUBMITTING BUSINESS ENTITY NOT RESPONSIBLE WITH RESPECT TO THE PRESENT BID OR FUTURE BIDS, AND, IN ADDITION, MAY SUBJECT THE PERSON MAKING THE FALSE STATEMENT TO CRIMINAL CHARGES.

Name of submitting business: Back Stage Pass Media Prod., Inc.

Electronically signed and certified at the date and time indicated by:
Peter J Mazzeo [PMHITSQUAD@GMAIL.COM]

President
Title

05/31/2022 12:24:27 PM
Date



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/31/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

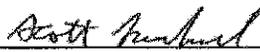
PRODUCER K&K Insurance Group, Inc. 1712 Magnavox Way Fort Wayne, IN 46804	CONTACT NAME: MM - Bands & Performing Groups	
	PHONE (A/C, No, Ext): 800-328-2317	FAX (A/C, No): 260-459-5502
E-MAIL ADDRESS: entertainers@kandkinsurance.com		
PRODUCER CUSTOMER ID:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED BACK STAGE PASS MEDIA PRODUCTIONS, INC. 190 Asharoken Ave. Northport, NY 11768 A Member of the Sports, Leisure & Entertainment RPG	INSURER A: Markel Insurance Company	38970
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** W02208951 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	X		M1RPG000000019600	06/11/2022 12:01 AM EDT	06/12/2022 12:01 AM	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea Occurrence) \$1,000,000 MED EXP (Any one person) Excluded PERSONAL & ADV INJURY Excluded GENERAL AGGREGATE \$5,000,000 PRODUCTS - COM/POP AGG \$1,000,000 PROFESSIONAL LIABILITY BODILY INJURY TO PARTICIPANTS \$1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> NOT PROVIDED WHILE IN HAWAII						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION						EACH OCCURRENCE AGGREGATE
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT
A	MEDICAL PAYMENTS FOR PARTICIPANTS			M1RPG0000000019600	06/11/2022 12:01 AM EDT	06/12/2022 12:01 AM	PRIMARY MEDICAL \$5,000 EXCESS MEDICAL

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Type of Group: Non-touring bands (tribute, wedding, garage); Music Genre: Oldies; Type of Venue: Outdoor venues
 Event: NEW YORK BEE GEES TRIBUTE SHOW; Event Dates: 6/11/2022 to 6/11/2022; Event Location: EISENHOWER PARK
 The certificate holder is added as an additional insured, but only for liability caused, in whole or in part, by the acts or omissions of the named insured.

CERTIFICATE HOLDER COUNTY OF NASSAU 1550 FRANKLIN AVE MINEOLA, NY 11501 (Event Organizer)	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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Coverage is only extended to U.S. events and activities.

** NOTICE TO TEXAS INSURED: The insurer for the purchasing group may not be subject to all the insurance laws and regulations of the State of Texas

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – DESIGNATED
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

<p>Name Of Additional Insured Person(s) Or Organization(s) COUNTY OF NASSAU 1550 FRANKLIN AVE MINEOLA, NY 11501</p> <p>Named Insured: BACK STAGE PASS MEDIA PRODUCTIONS, INC.</p> <p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

BRUCE A. BLAKEMAN
County Executive



DARCY A. BELYEA
Commissioner

COUNTY OF NASSAU
DEPARTMENT OF PARKS, RECREATION & MUSEUMS
EISENHOWER PARK - EAST MEADOW, NEW YORK 11554
www.nassaucountyny.gov/parks

TO: Robert Cleary, Chief Procurement Officer

FROM: Darcy A. Belyea *DAB*
Commissioner, Department of Parks, Recreation and Museums

DATE: June 16, 2022

SUBJECT: DELAY MEMO – BACK STAGE PASS MEDIA PRODUCTIONS, INC. – CQPK22000010

This memorandum is submitted in response to your request for a delay memo to explain the retroactivity of the above-mentioned Contract for Services CQPK22000010 with Back Stage Pass Media Productions, Inc. Back Stage Pass Media Productions, Inc. will provide one (1) live musical performance by the New York Bee Gees on Saturday, June 11, 2022 at Lakeside Theater, Eisenhower Park. The term of this agreement is from June 8, 2022 through December 31, 2024 and may be renewed for one (1) additional two (2) year period under the same term and conditions.

This Agreement had to go through the RFQ process which was very time consuming and lengthy. In addition, as a new vendor to Nassau County, the vendor was not familiar with the Vendor Portal system, which delayed the completion of the required disclosure forms. These delays led to the retroactivity of this agreement.

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NASSAU COUNTY LEGISLATURE

RICHARD NICOLELLO
PRESIDING OFFICER

RULES COMMITTEE

LEGISLATOR RICHARD NICOLELLO
CHAIR

Theodore Roosevelt Building
1550 Franklin Avenue
Mineola, New York

Monday, June 27, 2022

3:51 P.M.

1

2 A P P E A R A N C E S :

3

4 LEGISLATOR RICHARD NICOLELLO

5 Chair

6

7 LEGISLATOR HOWARD KOPEL

8 Vice Chair

9

10 LEGISLATOR STEVEN RHOADS

11

12 LEGISLATOR LAURA SCHAEFER

13

14 LEGISLATOR KEVAN ABRAHAMS

15 Ranking member

16

17 LEGISLATOR DELIA DERIGGI-WHITTON

18

19 LEGISLATOR SIELA BYNOE

20

21

22

23

24

25

1 Rules - 6-27-22

2 LEGISLATOR NICOLELLO: Call the
3 Rules Committee to order. Mike could you call
4 the roll?

5 MR. PULITZER: Thank you
6 Presiding Officer. Rules Committee roll
7 call.

8 MR. PULITZER: Legislator Siela
9 Bynoe.

10 LEGISLATOR BYNOE: Here.

11 MR. PULITZER: Legislator Delia
12 DeRiggi-Whitton.

13 LEGISLATOR DERIGGI-WHITTON:
14 Here.

15 MR. PULITZER: Ranking member
16 Kevan Abrahams.

17 LEGISLATOR ABRAHAMS: Here.

18 MR. PULITZER: Legislator Laura
19 Schaefer.

20 LEGISLATOR SCHAEFER: Here.

21 MR. PULITZER: Legislator Steven
22 Rhoads.

23 LEGISLATOR RHOADS: Present.

24 MR. PULITZER: Vice Chairman
25 Howard Kopel.

1 Rules - 6-27-22

2 LEGISLATOR KOPEL: Here.

3 MR. PULITZER: Chairman Richard
4 Nicoletto.

5 LEGISLATOR NICOLELLO: Here.

6 MR. PULITZER: We have a quorum
7 sir.

8 LEGISLATOR NICOLELLO: Thank
9 you. We have a number of contracts to
10 consider this afternoon, and I'll call them
11 all at once so they're before us for
12 consideration.

13 A-18, A-21 of 2022. Are
14 resolutions authorizing the commissioner of
15 shared services to execute or approve
16 additional funding for blanket purchase orders
17 between the county and Eagle Control Corp. and
18 Patifico Corporation.

19 B-3, 2022 is a resolution
20 authorizing the county executive to execute a
21 contract amendment between the county and
22 Welsbach Electric Corp.

23 E-68, E-69, E-70, E-72, E-73, U-3
24 of 2022 are resolutions authorizing the county
25 executive to execute personal services

1 Rules - 6-27-22
2 agreements or amendments to personal services
3 agreements between the county and the Selex
4 EX, the Law Office of Vincent D. McNamara,
5 Howard S. Krebs, Sokoloff Stern, Ed Moore
6 Advertising Agency, Inc., Backstage Pass Media
7 Production.

8 We need a motion by Deputy
9 Presiding Officer Kopel. Seconded by Minority
10 Leader Abrahams to put those contracts before
11 us. Also we need to untable two contracts.
12 B-1 of 2022 is a resolution authorizing the
13 county executive to award and execute a
14 contract between the county and EA
15 Restoration.

16 E-54, a resolution authorizing the
17 county executive to execute an amendment to a
18 personal services agreement between the county
19 and Kaufman Dolowich and Voluck.

20 Motion by Minority Leader
21 Abrahams. Seconded by Deputy Presiding
22 Officer Kopel to untable. All in favor of
23 untabling signify by saying aye. Those
24 opposed? They carry unanimously.

25 First order of business before we

1 Rules - 6-27-22

2 start considering contracts, we need a motion
3 to table A-18 and B-3 of 2022.

4 Note for the record that Minority
5 Leader Abrahams will not be participating or
6 voting or discussing the tabling of contracts
7 A-18 and B-3. We'll consider them
8 separately. A motion to table A-18? Moved by
9 Legislator Rhoads. Seconded by Legislator
10 DeRiggi-Whitton. All in favor of tabling that
11 contract signify by saying aye.

12 B-3. A motion by Legislator
13 Rhoads. Seconded by Legislator Schaefer. All
14 in favor of tabling that item signify by
15 saying aye. That motion succeeds by a vote of
16 six to nothing with Minority Leader Abrahams
17 not voting. As convoluted as that might be.

18 The first contract to be considered
19 is with the police department. E-68 with
20 Selex.

21 MR. FIELD: Good afternoon.
22 William Field, inspector with the police
23 department.

24 Item E-68-22 this is an amendment
25 to extend the contract for services related to

1 Rules - 6-27-22
2 the department's license plate readers. This
3 amendment is with Selex who does business as
4 LSAG. The purpose is to extend the term of
5 the contract for one additional year. They
6 were selected as a sole source provider and
7 their system is a proprietary system of
8 hardware and software.

9 LEGISLATOR NICOLELLO: The
10 contract, though, with the extension expires
11 on July 31 of 2022. Is there something in the
12 works for another contract for them or is this
13 going to be it?

14 MR. FIELD: Yes, sir. We're
15 currently trying to figure out the best way to
16 proceed. We have a couple of options we're
17 weighing and we're working with the county
18 attorney because we don't have a lot of time.

19 LEGISLATOR NICOLELLO: Those
20 options include another extension for Selex?

21 MR. FIELD: Possibly.

22 LEGISLATOR NICOLELLO: But you
23 haven't made a determination yet.

24 Legislator DeRiggi-Whitton.

25 LEGISLATOR DERIGGI-WHITTON: Do

1 Rules - 6-27-22

2 you know if this is a considered a sole
3 source?

4 MR. FIELD: Yes. This was
5 originally, back in 2016, determined as a sole
6 source. It's their hardware, their software
7 system that they maintain for us.

8 LEGISLATOR DERIGGI-WHITTON: I
9 guess we can probably get an extension a
10 little bit easier if that's the case.

11 LEGISLATOR NICOLELLO: Any other
12 debate or discussion? Thank you inspector.

13 E-70 of 2022. This is with TPVA
14 and Howard Krebs.

15 MR. MULLIN: Mark Mullin, general
16 counsel to TPVA. As many of you are aware,
17 TPVA is in need of judicial hearing officers.
18 The Honorable Judge Howard Krebs has applied.
19 He's qualified under the statute and has been
20 approved by the administrative judge.

21 LEGISLATOR NICOLELLO: Any
22 discussion or debate? Thank you.

23 Next item is with the parks
24 department and it's E-73 of 2022.

25 MS. BELYEA: Good afternoon

1 Rules - 6-27-22

2 Presiding Officer. Darcy Belyea. I'm joining
3 you remotely today.

4 We are looking to amend a personal
5 services agreement of a contract in place
6 since March 1, 2020 as a result of an RFP. We
7 are seeking to extend the term for two years.
8 It would now expire on February 28, 2025. For
9 purposes of additional funding, which I will
10 explain momentarily, will be to develop a new
11 broad-based marketing plan for Nassau County
12 that would promote tourism to the county from
13 the tri-state area as well as from our own
14 residents here in the county as you work to
15 recover from the COVID-19 pandemic.

16 The goal is to have people from
17 within Nassau County and the tri-state come to
18 Nassau, spend money in our stores and
19 restaurants, stay in our hotels and also visit
20 our county parks, beaches, museums and
21 preserves which have all seen a dramatic drop
22 in visitation and revenue numbers due to the
23 pandemic.

24 And the funding that we would like
25 to add was budgeted for by the prior

1 Rules - 6-27-22
2 administration. The additional funds to
3 initially be added are \$600,000 from ARPA
4 funding. The maximum amount of the contract
5 shall be increased from \$450,000 by an
6 additional \$1.8 million over the term to a
7 total of \$2.25 million. Funding sources will
8 be \$150,000 per year as it currently is from
9 hotel-motel funds and the balance from ARPA
10 funds as I previously mentioned as allocated
11 by the previous administration.

12 And I am excited about continuing
13 to work with the Ed Moore Agency who's done
14 nice work with the county in recent years and
15 also our county team to bring people to
16 Nassau, encourage our own residents to visit
17 facilities and attend events as we continue to
18 be open in Nassau County.

19 LEGISLATOR NICOLELLO: I have
20 some questions. Is this taking the place of
21 the contract with Discover Long Island or
22 supplemental?

23 MS. BELYEA: No. This will
24 supplement, work in concert. Again, a more
25 broad-based marketing plan specific for

1 Rules - 6-27-22
2 Nassau. The Discover Long Island contract
3 currently has expired and we're in the process
4 of reissuing an RFP. The prior administration
5 had reissued an RFP and we weren't comfortable
6 moving forward with their selection. So we
7 are in the process of reissuing that. But
8 this is separate and apart from that.

9 LEGISLATOR NICOLELLO: In terms
10 of the ARPA funds will they be used, in
11 addition to this year, will they be used in
12 the next two years as well? Do you anticipate
13 those funds being available? Do you
14 anticipate those funds still being available
15 in the next two years?

16 MS. BELYEA: I would think so.
17 With additionally hopefully added.

18 LEGISLATOR NICOLELLO: Anyone
19 else have questions? Yes.

20 LEGISLATOR DERIGGI-WHITTON: Hi
21 commissioner. This is Legislator Whitton. I
22 understand that they're going to increase
23 everything and I think that's great to help
24 but it's only going to be for the Nassau
25 County events or --?

1 Rules - 6-27-22

2 MS. BELYEA: No. Our goal is to
3 get people to shop in our stores, eat in our
4 restaurants, stay in our hotels and also come
5 to Nassau County. And while you're here
6 hopefully enjoy an event or two and visit one
7 of our amazing parks or preserves.

8 LEGISLATOR DERIGGI-WHITTON: How
9 are you going to decide what hotels to promote
10 or what restaurants?

11 MS. BELYEA: We aren't going to
12 specifically support or promote individual
13 businesses. But the end goal is to have a
14 broad-based marketing plan that gets bodies
15 here in Nassau County staying, eating,
16 shopping and doing.

17 LEGISLATOR DERIGGI-WHITTON: It
18 is a big increase because it used to be 150
19 per year and now we're going up to about 750 a
20 year. Do you have like feel secure with the
21 plan that you've seen? There's a pretty good
22 outline of the efforts they're going to be
23 making?

24 MS. BELYEA: I worked with Ed
25 Moore since I came on in January and his work

1 Rules - 6-27-22
2 has been great. We're going to work with him
3 and the consultant, Adora, actually help to
4 oversee as well to make sure that we are
5 following suit with how the funds can be
6 used. But I hope to model a plan in line with
7 what other municipalities are currently using
8 their ARPA funds for. A close example to us
9 would be Gloucester County, New Jersey,
10 Boston, Washington D.C.

11 LEGISLATOR DERIGGI-WHITTON: As
12 far as the ARPA funding you've had that looked
13 into, correct? Because I know there was a
14 question that like I don't know if you can
15 hire personnel with that funding.

16 MS. BELYEA: No. I have full
17 confidence in our team from OMB and county
18 attorney's office and we've both been working
19 together as a team along with county
20 communications with the consultant Adora and
21 they've been advising us on how we can use
22 these funds. They'll guide us as needed as we
23 go along.

24 LEGISLATOR DERIGGI-WHITTON:
25 Thank you.

1 Rules - 6-27-22

2 LEGISLATOR NICOLELLO: Another
3 question. Does Ed Moore Agency have
4 experience in broad-based marketing?
5 Obviously he's been in a more narrow function
6 with the county for years in terms of
7 promoting our concerts and actually probably
8 booking concerts. Does he have experience?

9 MS. BELYEA: Yes, sir. We have
10 the luxury of having him subcontract out to
11 production houses and other consultants as
12 well. So if there is a time when he needs
13 assistance we can call on them.

14 LEGISLATOR NICOLELLO: What would
15 differentiate what he's going to be doing as
16 opposed to what the vendor will be doing that
17 responds to the RFP? What's different about
18 his role? Is it the same?

19 MS. BELYEA: Truthfully, no. His
20 role is different because we want to bring
21 people here to the county and immediately
22 increase our revenue and visitors to our own
23 facilities as well as private businesses as I
24 mentioned. What I have seen from what I have
25 reviewed and met with who was awarded the RFP

1 Rules - 6-27-22
2 last year and also meeting with Discover a
3 couple of times they are very regionally
4 based, not Nassau County specific. So we're
5 looking to put more of a focus here on our
6 county.

7 LEGISLATOR NICOLELLO: Any other
8 questions? All right. Thank you Darcy.

9 MS. BELYEA: Thank you.

10 LEGISLATOR NICOLELLO: Next parks
11 item is a contract U-3 with Backstage Pass
12 Media.

13 MR. MESSNER: Tim Messner, deputy
14 commissioner with the parks department.

15 The contract you have before you is
16 an award to Backstage Pass Media who is a
17 performer that was awarded a contract based on
18 a RFQ process. This is retroactive.
19 Unfortunately we did not get this to you in
20 time for the first concert series that we had
21 dated June 11th.

22 LEGISLATOR NICOLELLO: Any
23 questions to Tim? No? Thank you.

24 Next contracts are with the county
25 attorney's office, E-54.

1 Rules - 6-27-22

2 MR. LIBERT: Brian Libert from
3 the county attorney's office. This is a
4 contract with Kaufman Dolowich Vullock for the
5 case known as Volpe. The case actually has
6 now been transferred. This is actually a
7 closeout contract. It is a labor and
8 employment matter. Of course I'm happy to
9 answer any questions.

10 LEGISLATOR NICOLELLO: I don't
11 know if you can answer, do you know why it was
12 transferred to a new counsel? I don't know if
13 you can answer it anyway.

14 MR. LIBERT: I would just say for
15 strategy reasons for the purposes of this
16 record.

17 LEGISLATOR NICOLELLO: Any other
18 questions on this contract?

19 Move to the second one which would
20 be E-69, Law Office of Vincent McNamara.

21 MR. LIBERT: This is a new
22 contract with the Law Office of Vincent
23 McNamara for a contract a case called Bram
24 Surup against Nassau County. This is a very
25 serious personal injury case and the county's

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2 involvement stems mostly from the transport of
3 the patient. And again, it's very serious and
4 that's why we need counsel.

5 LEGISLATOR NICOLELLO: Any
6 questions on this contract? Nope.

7 E-72 Sokoloff Stern.

8 MR. LIBERT: This is contract
9 with Sokoloff Stern for the case of Gurleen
10 Felix and the Estate of Matthew Felix. Last
11 month I was here I believe with two contracts
12 for the same case. There is a conflict in the
13 case and this is the third counsel that is
14 required due to that legal conflict.

15 LEGISLATOR NICOLELLO: Any
16 questions on this one? Thank you Brian.

17 MR. LIBERT: Have a great day.

18 LEGISLATOR NICOLELLO: We have
19 two contracts with public works. A-21.

20 MR. ARNOLD: A-21 is a purchase
21 order for Howell bathroom tissue and
22 dispensers. There were three vendors that
23 solicited on the bid and the bidder that we're
24 choosing is a small business minority and runs
25 his own business.

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2 LEGISLATOR NICOLELLO: Any

3 questions on this one?

4 Next one is B-1. Next and last
5 one.

6 MR. ARNOLD: B-1 is our general
7 construction requirements contract. This
8 contract we use for emergencies and for timely
9 projects that need to get done. We had two
10 bids received and E and A was the lowest
11 responsible bidder. There were some questions
12 from the IG that were satisfied.

13 LEGISLATOR NICOLELLO: Any
14 questions for this item? Legislator
15 DeRiggi-Whitton.

16 LEGISLATOR DERIGGI-WHITTON: I
17 understand the inspector general is on the
18 meeting. Jodi, are you there?

19 MS. FRANZESE: Good afternoon.
20 Jodi Franzese from the Office of the Inspector
21 General.

22 LEGISLATOR DERIGGI-WHITTON: If
23 you wouldn't mind just giving us a brief
24 update as to your findings.

25 MS. FRANZESE: So, our office was

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2 unable to find any evidence in the record that
3 DPW conducted a capacity assessment as part of
4 its vendor responsibility review. Since the
5 vendor was currently working on two of
6 Nassau's largest projects, we inquired of the
7 department as to whether or not they planned
8 to do or had done such an assessment. So DPW
9 gave us a detailed response that seems to be
10 the results of very careful consideration and
11 their response allayed our concerns.

12 LEGISLATOR DERIGGI-WHITTON: It
13 would be helpful if -- when did you receive
14 that response?

15 MS. FRANZESE: Actually, I
16 received it and I sent it to the members, the
17 people who are in my email send list.
18 Minority counsel, majority counsel, the
19 administration. I sent their response out I
20 think a week or so ago. But I can confirm the
21 date for you but that's -- and just to be
22 clear, if I could help with this. It was
23 never our intention to prevent this particular
24 award. We just wanted to make sure that the
25 vendor didn't have too much on their plate so

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2 that they could complete both the police
3 academy and the family court and then also
4 take on a requirements contract.

5 LEGISLATOR DERIGGI-WHITTON:

6 Thank you for putting everything on the
7 record. I appreciate it.

8 MS. FRANZESE: My pleasure.

9 LEGISLATOR NICOLELLO: Any other
10 questions? No? Now we are going to --
11 actually before we go to a vote we need to ask
12 if there's any public comment? Hearing none,
13 we're going to go for a vote on all those
14 contracts including E-68, E-70, E-73, U-3,
15 E-54, E-69, E-72, A-21 and B-1. All in favor
16 signify by saying aye. Those opposed? Carries
17 unanimously.

18 Motion to adjourn by Legislator
19 Rhoads. Seconded by Legislator Schaefer. All
20 in favor of adjourning signify by saying aye.
21 Those opposed? That carries unanimously.
22 We're adjourned.

23 (Meeting recessed at 3:41 p.m.)

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CERTIFICATION

I, FRANK GRAY, a Notary
Public in and for the State of New
York, do hereby certify:

THAT the foregoing is a true and
accurate transcript of my stenographic
notes.

IN WITNESS WHEREOF, I have
hereunto set my hand this sixth day of
July 2022.

FRANK GRAY