

**01 NCAC 05B .0318 TERMS AND CONDITIONS**

- (a) In this Rule, the Division establishes standard terms and conditions for use in Contracts with the State.
- (b) In addition to any contract provisions specifically required by an applicable statute or rule, standard terms and conditions should contain provisions relating to:
- (1) The rights and responsibilities of the parties, including performance, payment terms, services terms, and condition and packaging of Goods;
  - (2) Contract terms, including:
    - (A) default;
    - (B) termination;
    - (C) remedies;
    - (D) governing law;
    - (E) insurance coverage requirements;
    - (F) assignment and delegation;
    - (G) confidentiality;
    - (H) indemnification;
    - (I) conflict of terms;
    - (J) order of precedence;
    - (K) warranties;
    - (L) integration;
    - (M) amendments;
    - (N) no waiver;
    - (O) licensing provisions; and
    - (P) force majeure;
  - (3) Contract terms required in Contracts with the State such as protections for State data and property, availability of State funds, vendor advertising, access by the State Auditor to persons and records, electronic procurement and related fees, electronic records, applicability of taxes, sovereign immunity, compliance with non-discrimination statutes, and provisions relating to the utilization of federal funds; and
  - (4) Other provisions to protect the State from legal and other risks, as necessitated by current legal, market, and business conditions.
- (c) The Purchasing Agency may add or remove specific terms and conditions for certain Contracts, such as those with unique, complex or highly technical Procurements.

*History Note: Authority G.S. 143-49; 143-50.1; 143-52; 143-53; 143-135.9; Eff. March 1, 2022.*