**Section 2000.560 Cancellation for Material Breach of Contract**

In any of the following cases the Director of Purchasing shall terminate or rescind any contract entered into under this Part for the following reasons, unless it is in the best interest of the Agency to continue the contract because of the need to complete the work and/or the financial advantage to the Agency:

a) In the event the successful Bidder fails to furnish the required performance bond within the time specified.

b) In the event Bidder fails to make delivery or complete the work at the place or within the time specified in the contract or subsequently upon the failure of bidder to meet the original scheduling requirements as ordered by the Director.

c) In the event any goods or services provided under the contract are rejected (for not meeting specification, not conforming to sample, or not being in good condition when delivered) and are not promptly replaced by the Bidder. If there are repeated rejections of the Bidder's goods or service this shall be grounds for termination or rescission even though the Bidder offers to replace the goods or services promptly. Promptness shall be determined by the Director of Purchasing considering the availability of items, goods or services, and needs of the agency.

d) In the event the Bidder is guilty of misrepresentation in connection with the contracting or subcontracting of another contract for the sale of goods or services to the Agency that he/she cannot reasonably be depended upon to fulfill his/her obligations as a responsible Bidder under any of his/her contracts with the Agency.

e) In the event the Bidder should be adjudged bankrupt; enter into a general assignment for the benefit of his/her creditors or receivership due to insolvency; or disregard laws and ordinances, rules, regulation, or instructions of a purchasing official; or act in violation of any provision of the contract or these regulations; or if the contract conflicts with any statutory or constitutional provision of the State of Illinois or of the United States.

f) In the event of any other material breach of contract or other unlawful act by the Bidder such as fraud, theft, misrepresentation, embezzlement, racketeering, consumer fraud, or similar statutes of Illinois or the United States.

(Source: Amended at 10 Ill. Reg. 19104, effective October 27, 1986)