

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984
FOR NASPO VALUEPOINT PURCHASING PROGRAM: DATA COMMUNICATIONS (2019 - 2026)
Led by the State of Utah
Master Agreement #AR3229

Contractor: Palo Alto Networks Inc

Contractor's NASPO ValuePoint Webpage: <https://www.naspovaluepoint.org/portfolio/data-communications-2019-2026/palo-alto-networks-inc/>

1. **Parties.** This Participating Addendum is a contract between the State of Vermont, through its Department of Buildings and General Services, Office of Purchasing & Contracting (hereinafter "State" or "Vermont"), and the Contractor identified above. It is the Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** This Participating Addendum authorizes the purchase of Data Communications Equipment and Services from Contractor pursuant to the Master Agreement identified above, which is hereby incorporated by reference. Contractor's awarded categories are:

Category 1.3: Routers, Switches, Security, and Networking Storage

- Routers: Multiservice Router, Branch Routers, Network Edge Routers, Core Routers, Service Aggregations Routers, Carrier Ethernet Routers.
- Security: Data Center/Virtualization Products/Appliances, Intrusion Detection/ Protection firewall appliances, Logging appliances and analysis tools, Secure Edge and Branch Integrated Security Products, Secure Mobility Products, Encryption Appliances, On-premise and Cloud-based services for Network Communications Integrity, Secure Access
- Storage Networking: High-speed network of shared storage devices connecting different types of storage devices with data servers.
- Switches: Layer 2/3 devices that are used to connect segments of a LAN (local area network) or multiple LANs and to filter and forward packets among them.

Category 2: Services.

For each Award Category above, the following valued services are available for procurement at the time of product purchase or anytime afterwards.

2.1 Maintenance Services. Capability to provide technical support, software maintenance, flexible hardware coverage, and smart, proactive device diagnostics for hardware.

2.2 Professional Services

a) Deployment Services

- i. Survey/ Design services. Includes Discovery, Design, review and readiness assessment.
- ii. Implementation Services. Includes Installation, Configuration or end to end integration and deployment
- iii. Optimization

b) Remote Management Services

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- c) Consulting/ Advisory Services
- d) Data Communications Architectural Design Services
- e) Statement of Work (SOW) Services
- f) Testing Services

2.3 Partner Services. Subject to Contractor's approval and the certifications held by its Partners/Resellers, many Partners/Resellers can also offer and provide some or all of the Services as listed above at competitive pricing, along with local presence and support. As the primary Contractor (OEM), Contractor is ultimately responsible for the service and performance of its Partners/ Resellers. Customers may have the option to purchase the Services to be directly delivered by Contractor (OEM) or its certified Partners/Resellers.

2.4 Training. Learning offerings for IT professionals on networking technologies, including but not limited to designing, implementing, operating, configuring, and troubleshooting network systems pertaining to items provided under the master agreement.

3. ***Definitions.*** Capitalized terms used, but not defined herein, have the meanings ascribed to such terms in the Master Agreement between the Lead State and the Contractor.
4. ***Purchasing Entities.*** This Participating Addendum may be used by (a) all departments, offices, institutions, and other agencies of the State of Vermont and counties (each a "State Purchaser") according to the process for ordering and other restrictions applicable to State Purchasers set forth herein; and (b) political subdivisions of the State of Vermont and any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education as authorized under 29 V.S.A. § 902 (each an "Additional Purchaser"). Issues concerning interpretation and eligibility for participation are solely within the authority of the State of Vermont Chief Procurement Officer. The State of Vermont and its officers and employees shall have no responsibility or liability for Additional Purchasers. Each Additional Purchaser is to make its own determination whether this Participating Addendum and the Master Agreement are consistent with its procurement policies and regulations.
5. ***Contract Term.*** The period of Contractor's performance shall begin on June 1, 2020 and end upon expiration of the Master Agreement, unless terminated earlier in accordance with the terms of this Participating Addendum or the Master Agreement. An amendment to this Participating Addendum shall not be necessary in the event of the renewal or extension of the Master Agreement.
6. ***Available Products and Services.*** All products, services and accessories listed on the Contractor's NASPO ValuePoint Webpage may be purchased under this Participating Addendum.
7. ***No Lease Agreements.*** Contractor is prohibited from leasing to State Purchasers under this Participating Addendum. Additional Purchasers are not subject to this prohibition and may negotiate lease agreements with Contractor if the terms of the Master Agreement permit leasing.
8. ***Requirements for Ordering.***
 - a. Written orders must be used to order items available under this Participating Addendum. Verbal orders shall not be accepted by Contractor or Contractor's Reseller.
 - b. All orders placed under this Agreement must, at a minimum, specify:

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- i. The product(s) being delivered and the place and time of delivery;
 - ii. The service(s) required and the place and time period for performance;
 - iii. The Purchasing Entity's billing address;
 - iv. The name and contact information for the Purchasing Entity's primary contact;
 - v. The price per unit, rates, or other pricing elements consistent with this Agreement;
 - vi. A maximum amount payable by the Purchasing Entity under the order;
 - vii. A unique identifier for the order; and
 - viii. The State of Vermont Statewide Purchasing Agreement Number.
- c. As applicable, orders shall include specifically negotiated statement of work or service level agreement terms as necessary for the product and/or service to meet the Purchasing Entity's requirements.
 - d. Orders may include additional terms as necessary to comply with local, state or federal laws or regulations applicable to the Purchasing Entity.
 - e. The State's Agency of Digital Services is the only entity authorized to place orders on behalf of State Purchasers. (Additional Purchasers are not subject to this requirement). Orders placed from any other source shall not be binding against the State, or the State Purchaser. Contractor can verify orders for State Purchasers by contacting ADS.ITPurchasing@vermont.gov. Contractor agrees that it will not accept or fulfill orders placed on behalf of State Purchasers from any other source. Contractor's failure to meet this requirement may result in suspension or termination of this Participating Addendum.
9. **Quality:** All products provided by Contractor under this contract will be new and unused, unless otherwise stated. Factory seconds or remanufactured products will not be accepted unless specifically requested by the State. All products provided by Contractor must meet all federal, state, and local standards for quality and safety requirements. Products not meeting these standards will be deemed unacceptable and returned to Contractor for credit at no charge to the State.

10. Payment Provisions and Invoicing.

- a. Product offerings and complete details of product pricing, including discounts, applicable to this Participating Addendum are set forth in the Price Schedule maintained on-line at Contractor's NASPO ValuePoint Webpage listed above.
- b. Purchasing Entities may solicit the Contractor or Fulfillment Partner/Authorized Reseller for deeper discounts than the minimum contract pricing as set forth in the Price Schedule (e.g., additional volume pricing, incremental discounts, firm fixed pricing or other incentives).
- c. If applicable, all equipment pricing is to include F.O.B. delivery to the ordering facility. No request for extra delivery cost will be honored.

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- d. In the discretion of the Purchasing Entity, retainage may be specified in a Purchase Order, in an amount mutually agreeable to the parties.
- e. Payment terms are Net 30 days from the date the State receives an error-free invoice with all necessary and complete supporting documentation. Invoices shall itemize all work performed during the invoice period, including, as applicable, the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment. Where notice(s) of acceptance are required in a Statement of Work executed under this Participating Addendum, a copy of the notice(s) of acceptance shall accompany invoices submitted for payment.
- f. Invoices shall be sent to the address identified on the Purchasing Entity's Purchase Order and shall specify the address to which payments will be sent. The State of Vermont Participating Addendum Number and Purchasing Entity's Purchase Order Number shall appear on each invoice for all purchases placed under this Participating Addendum.
- g. Reimbursement of expenses is not authorized. All rates set forth in a Purchase Order shall be inclusive of any and all Contractor fees and expenses.
- h. The State Purchasing Card may be used by State Purchasers for the payment of invoices. Use of the Purchasing Card requires all required documentation applicable to the purchase. The Purchasing Card is a payment mechanism, not a procurement approach and, therefore, does not relieve State Purchasers from adhering to all procurement laws, regulations, policies, procedures, and best practices.
- i. Delivery: Liability for product delivery remains with the Contractor until the product is properly delivered and accepted in accordance with this Participating Addendum. Contractor shall ensure that shipments are securely and properly packed, according to accepted commercial practices, without extra charge for packing cases or other containers. Upon delivery, such containers will become the property of the State unless otherwise stated. Delivered goods that either do not conform to the specifications or are not in good condition upon receipt shall be replaced promptly by Contractor.
- j. The State does not agree to reimburse Contractor for expenses.
- k. A Purchasing Entity shall determine whether all Products and Services delivered meet the Contractor's published specifications (a.k.a. "Specifications"). No payment shall be made for any Products or Services until the Purchasing Entity has accepted the Products or Services. The Purchasing Entity will make every effort to notify the Contractor within thirty (30) calendar days following delivery non-acceptance of a Product or Service. In the event that the Contractor has not been notified within 30 calendar days from delivery of Product or completion of Service, the Product and Services will be deemed accepted on the 31st day after delivery of Product or completion of Services. This clause shall not be applicable if accepting testing and corresponding terms have been mutually agreed by both parties in writing.

11. *Fulfillment Partners/Authorized Resellers.*

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- a. Resellers (or Fulfillment Partners) are available for this Participating Addendum if and to the extent approved by the State Chief Procurement Officer (each an “Authorized Reseller”). Any Authorized Resellers will be listed on the Contractor’s NASPO ValuePoint Webpage listed above.
 - b. All applicable State policies, guidelines and requirements shall apply to Authorized Resellers.
 - c. Contractor shall be responsible for successful performance and compliance with all requirements in accordance with the terms and conditions set forth by this Participating Addendum. Contractor acknowledges that each and all of the promises it makes as “Contractor” in the Master Agreement and in this Participating Addendum will apply to all Products and Services provided hereunder, regardless of who is providing or licensing the Product or performing the work.
 - i. Contractor promises that Purchasing Entities will not be required to affirmatively accept additional terms and conditions to use or access any Product or Service purchased under this Participating Addendum, whether by electronic means (e.g., click-through) or otherwise.
 - ii. Contractor promises that each of the third parties whose Products and/or Services are available for purchase under this Participating Addendum understand and agree that the terms and conditions applicable to their Products and/or Services are as set forth in the Master Agreement, as amended, and are subordinate to the terms of this Participating Addendum and the NASPO ValuePoint Master Agreement Terms & Conditions and associated service model Exhibits.
12. **Reporting.** Contractor shall submit quarterly reports electronically in the same format as set forth under the Master Agreement, detailing the purchasing of all items under this Participating Addendum. Contractor’s reporting shall state “no activity” for any month in which there is no activity during a quarterly reporting period.
- a. The reports shall be an excel spreadsheet transmitted electronically to SOV.ThePathForward@vermont.gov.
 - b. Reports are due for each quarter as follows:
- | Reporting Period | Report Due |
|--------------------------|------------|
| January 1 to March 31 | April 30 |
| April 1 to June 30 | July 31 |
| July 1 to September 30 | October 31 |
| October 1 to December 31 | January 31 |
- c. Failure to meet these reporting requirements may result in suspension or termination of this Participating Addendum.
13. **Prior Approvals.** In accordance with current State law, bulletins, and interpretations, this Participating Addendum shall not be binding until it has been approved by the Vermont Attorney General’s Office, the Secretary of Administration, and the State’s Chief Information Officer.

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

14. ***Amendment.*** No changes, modifications, or amendments in the terms and conditions of this Participating Addendum shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
15. ***No click-through terms.*** Where an authorized purchaser or their authorized user is required to “click through” or otherwise accept or made subject to any online terms and conditions or any other such terms in accessing or using the Contractor’s system, or any other contracted products or services, such terms and conditions shall not be binding and shall have no force or effect as to this contract, the services, and the authorized state users.
16. ***Termination.*** This Participating Addendum may be terminated by the State at any time upon 30 days prior written notice to the Contractor. Upon termination or expiration of this Participating Addendum, each party will assist the other in orderly termination of the Participating Addendum and the transfer of all assets, tangible and intangible, as may facilitate the orderly, non-disrupted business continuation of each party. This provision shall not relieve the Contractor of the obligation to perform under any order executed prior to the effective date of termination or other expiration of this Participating Addendum.
17. ***Primary Contacts.*** The Parties will keep and maintain current at all times a primary point of contact for this Participating Addendum. The primary contacts for this this Participating Addendum are as follows:

a. ***For the Contractor:***

Name: Regina Acheampong
Phone: 669/261-5126
Email: acheampon@paloaltonetworks.com

b. ***For the State:***

Name: State of Vermont, Stephen Fazekas
Address: 109 State Street, Montpelier, VT 05633-3001
Phone: 802/828-2210
Fax: 802/828-2222
Email: Stephen.fazekas@vermont.gov

18. Additional Terms and Conditions.

- a. Notwithstanding any contrary language anywhere, in no event shall the terms of this contract or any document furnished by Contractor in connection with performance under this contract obligate the State to (1) defend or indemnify Contractor or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys’ fees, collection costs or other costs of Contractor or any third party.
- b. If required by an order made by a State Purchaser under this Participating Addendum, the terms and conditions of the State of Vermont Business Associate Agreement, revised May 2019 (available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>) shall be incorporated by reference and apply to the order. This provision shall not apply to Additional Purchasers.

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- c. Contractor is required at all times to comply with all applicable federal and state laws and regulations pertaining to information security and privacy.
- d. **Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial:** This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Contractor in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. Contractor irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. Contractor agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Contractor agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.
- e. **Sovereign Immunity:** The State reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State's immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State's entry into this Agreement.
- f. **False Claims Act:** Contractor acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* Contractor's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Contractor's liability.
- g. **Whistleblower Protections:** Contractor shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, Contractor shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to Contractor or its agents prior to reporting to any governmental entity and/or the public.
- h. **Fair Employment Practices and Americans with Disabilities Act:** Contractor agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by Contractor under this Agreement.
- i. **Set Off:** The State may set off any sums which Contractor owes the State against any sums due Contractor under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures set forth in 32 V.S.A. § 3113.
- j. **Taxes Due to the State:** Contractor certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, Contractor is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

- k. **Taxation of Purchases:** All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.
- l. **Certification Regarding Debarment:** Contractor certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds. Contractor further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>
- m. **Confidentiality:** Contractor acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.
- n. **Marketing:** Contractor shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.
- o. **Non-Appropriation:** If an order made under this Participating Addendum extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support the order, the State Purchaser may cancel the order at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. If the order is funded in whole or in part by Federal funds, and those Federal funds become unavailable or reduced, the State Purchaser may suspend or cancel the order immediately and shall have no obligation to pay from State revenues.
- p. **Continuity of Performance:** In the event of a dispute between Contractor and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.
- q. **State Facilities:** If the State makes space available to Contractor in any State facility during the term of this Agreement for purposes of Contractor's performance under this Agreement, Contractor shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.
- r. **Insurance:** before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain Errors and Omissions and Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$2,000,000.00 per claim, \$3,000,000.00 aggregate. To the extent Contractor has access to, processes, handles, collects, transmits, stores or otherwise deals with State Data, Contractor shall maintain first party Breach Notification and third party cyber liability Coverage of not less than \$2,000,000.00. Further, the policy will expressly provide coverage for losses arising from the following: (a) unauthorized use/access of computer

STATE OF VERMONT PARTICIPATING ADDENDUM # 39984

Contractor: Palo Alto Networks Inc

systems (including mobile devices), servers, client's data or software; (b) defense of any regulatory action involving a breach of privacy; (c) failure to protect the confidential or proprietary information (personal and commercial information) and intellectual property from unauthorized disclosure or unauthorized access; (d) failure to adequately protect physical security of servers and systems including from cyber terrorism; (e) the costs for: notification, whether or not required by statute, credit file or identity monitoring, identity restoration, public relations or legal experts; (f) third party liability; (g) cyber extortion and cyber terrorism; and (h) no exclusion for actual or alleged breaches of professional services agreements associated with the above.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

With respect to the third party breach cyber liability Coverage, Contractor shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Contract.

- s. **SOV Cybersecurity Standard 19-01:** All products and service provided to or for the use of the State under this Contract shall be in compliance with State of Vermont Cybersecurity Standard 19-01, which Contractor acknowledges has been provided to it, and is available on-line at the following URL: <https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>

By signing below Contractor agrees to offer the products and services on the Master Agreement at prices equal to or lower than the prices listed on the Master Agreement.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

Palo Alto Networks Inc



Date: _____

Date: Jun-01-2020 | 11:10:20 AM PDT

Signature: E-SIGNED by Christopher Cole
on 2020-06-05 16:56:21 GMT

Signature: DocuSigned by:
Melinda Thompson
076D11B782F74FD...

Name: Christopher ColeName: Melinda Thompson

Commissioner

VP, Deputy GC

Title: Buildings & General Services

Title: _____