

NASPO ValuePoint

PARTICIPATING ADDENDUM
**SMALL PACKAGE DELIVERY
SERVICES 2021-2026**

Lead by the State of Utah

Master Agreement #: 065

The Parties:

Contractor: **UPS**Participating Entity: **STATE OF NORTH CAROLINA**

The following products or services are included in this contract portfolio [remove any services that do not apply]:

- Small Package Delivery Services, as described in UPS's response to Solicitation CH12-36.

Scope and Participation:

1. Scope: This Participating Addendum includes the entire scope of the products and services available through the Master Agreement.
2. Participation: This Participating Addendum covers participation of the Participating Entity in the above-referenced Master Agreement between the State of Utah and Contractor for Small Package Delivery Services. This Participating Addendum may be used by all state agencies, institutions of higher education, political subdivisions and other entities authorized to use statewide contracts in the State of North Carolina. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.
3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Richard Wegner
Address:	5828 Rudy Lane, Millstadt, IL 62260
Telephone:	618.406.3543
Email:	rwegner@ups.com

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Participating Entity North Carolina Division of Purchase and Contract

Name:	Wanda Simmons
Address:	116 West Jones Street, Raleigh, NC 276033-8002
Telephone:	984-236-0226
Fax:	
Email:	Wanda.Simmons@doa.nc.gov

**PARTICIPATING ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER
 AGREEMENT**

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

☐ No changes to the terms and conditions of the Master Agreement are required.

☒ The following changes are modifying or supplementing the Master Agreement terms and conditions.

4. Notwithstanding any provision to the contrary, no terms or conditions other than those contained in or incorporated into this Participating Addendum or the Master Agreement shall be applicable unless mutually agreed upon by Contractor and the Participating Entity in writing. Governing Laws: Solely with respect to matters or disputes related to or arising from this Participating Addendum, this Participating Addendum is made under and shall be governed and construed in accordance with the laws of the State of North Carolina, without regard to is conflict of laws rules, and within which State all matters, whether sounding in Contract or tort or otherwise, relating to its validity, construction, interpretation and enforcement shall be determined. This is a cooperative purchasing agreement advantageous to the State under 01 NCAC 05B.1513 and has been determined eligible for a Waiver of Competition under 01 NCAC 05B.1401. State purchases under the Participating Addendum are subject to the applicable provisions of Chapter 143 of the N.C. General Statutes and the applicable rules in 01 NCAC Chapter 05.
5. Access To Accounting Records: Provided Contractor is given reasonable advance written notice of no less than five (5) business days, and such inspection is made during normal business hours of Contractor, the State Auditor and any using agency's internal auditors shall have access to persons and accounting records, solely to the extent they relate to transactions and matters involving North Carolina's participation in this Participating

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Addendum, to verify accounts and data affecting fees or performance under the Participating Addendum, as provided in G. S. §143-49(9).

6. **Reporting:** Contractor shall furnish a quarterly report electronically in EXCEL format to the NC Division of Purchase & Contract detailing all items purchased under this contract, by individual agency. The reports must be emailed to pcreports@doa.nc.gov and Wanda.Simmons@doa.nc.gov. The report is to be submitted by the 30th (or next business day) of the month following each quarterly period. For consistency, quarters shall be considered to end on the last day of March, June, September and December of each calendar year. Quarterly reports are required even if no activity has occurred. The quarterly report shall include the following: I. Shipper Name, II. Shipper Number, III. Description of Service, IV. Date, V. Published Charges, VI. Net Charges.
7. **Orders:** Any order placed by a Participating Entity or Purchasing Entity for a service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions of) the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order, to the extent a Purchasing Entity opens an account and requests its purchases are aligned to the Master Agreement pricing. Purchasing Entities with a pre-existing account will be migrated to NASPO pricing upon confirmation from the Participating Entity's primary contact or the primary contact for this Participating Addendum.
8. **Adoption of Master Agreement Clauses:** The parties expressly agree that the terms of the Master Agreement will apply to this Participating Addendum and govern the Contractor and the Participating Entity and Purchasing Entities such that references to the Lead State will be read to include the Participating Entity and Purchasing Entity, even if neither is specifically referenced. In the event of a conflict between the terms of the Master Agreement and the terms of the Participating Addendum, the Participating Addendum shall take precedence.
9. **Insurance Requirements:** Providing and maintaining adequate insurance coverage is a material obligation of Contractor. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage. Contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing laws or the Participating Addendum or Master Agreement. The limits of coverage under each insurance policy maintained by Contractor shall not be interpreted as limiting the Vendor's liability and obligations or the indemnification requirements under the Master Agreement or Participating Addendum.
 - a) **COVERAGE** - During the term of the Participating Addendum, Contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Participating Addendum. At a minimum, Contractor shall provide and maintain the following coverage and limits, subject to higher requirements by an agency after the risk analysis indicated above:

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1. **For Small Purchases** as defined under North Carolina Administrative Code 01 NCAC 05A.0112 (35) and 05B.0301 (1), the minimum applicable insurance requirements for Worker's Compensation and Automobile Liability will apply as required by North Carolina law.
2. **For Contracts valued in excess of the Small Purchase threshold, but up to \$1,000,000.00 the following limits shall apply:**
 - i. **Worker's Compensation** - Contractor shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of \$250,000.00, covering all of Contractor's employees who are engaged in any work under the Participating Addendum in North Carolina. If any work is sub-contracted, Contractor shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Participating Addendum within the State.
 - ii. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$500,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.
 - iii. **Automobile** - Automobile Liability Insurance, to include liability coverage covering all owned, hired and non-owned vehicles, used within North Carolina in connection with the Participating Addendum. The minimum combined single limit shall be \$250,000.00 bodily injury and property damage; \$250,000.00 uninsured/under insured motorist; and \$2,500.00 medical payment.
3. **For Contracts valued in excess of \$1,000,000.00 the following limits shall apply:**
 - i. **Worker's Compensation** - Contractor shall provide and maintain Worker's Compensation Insurance, as may be required by the laws of North Carolina, as well as employer's liability coverage, with minimum limits of \$500,000.00, covering all of Contractor's employees who are engaged in any work under the Participating Addendum in North Carolina. If any work is sub-contracted, Contractor shall require the sub-contractor to provide the same coverage for any of its employees engaged in any work under the Participating Addendum within the State.
 - ii. **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit. Defense costs shall be in excess of the limit of liability.
 - iii. **Automobile** - Automobile Liability Insurance, to include liability coverage covering all owned, hired and non-owned vehicles, used within North

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Carolina in connection with the Participating Addendum. The minimum combined single limit shall be \$500,000.00 bodily injury and property damage; \$500,000.00 uninsured/under insured motorist; and \$5,000.00 medical payment.

10. Ethical Considerations: Contractor agrees to manage its business in compliance with all applicable laws and regulations of the countries in which it operates. Contractor acknowledges that compliance with anti-corruption laws is an integral part of its undertakings on behalf of Participating Entity, and that any violation of anti-corruption laws in connection with providing services, as determined by the applicable government agency with responsibility for enforcing those laws, may be a material breach of its obligations to Participating Entity and will subject Contractor to termination of the Participating Addendum.
11. Employment Considerations: Contractor agrees to manage its business in compliance with all applicable laws and regulations of the countries in which it operates. Contractor acknowledges that compliance with non-discrimination, whistleblower protection and similar laws is an integral part of its undertakings on behalf of Participating Entity and that any violation of such laws in connection with providing services, as determined by the applicable government agency with responsibility for enforcing those laws, may be a material breach of its obligations to Participating Entity and will subject Contractor to termination of the Participating Addendum.
12. Non-Appropriation: If during the term of this Participating Addendum, appropriations are insufficient to support purchases under this Participating Addendum, the Participating Entity may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. If during the term of this Participating Addendum, appropriations are insufficient to support any Purchasing Entity's purchases under this Participating Addendum, the Purchasing Entity may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. A Purchasing Entity's actions under this clause will not affect this Participating Addendum or purchases made by other Purchasing Entities under this Participating Addendum.

 If the Participating Entity or Purchasing Entity order services without funds appropriated, the Participating Entity or Purchasing Entity will make good faith efforts to pay Contractor at the agreed-upon rates for such services rendered prior to the notice of non-Appropriation of funds. To the extent that the Participating Entity or Purchasing Entity notifies Contractor that no appropriated funds are available to pay Contractor for services, Contractor shall have the right, but not the obligation, to suspend all services to the Participating Entity or Purchasing Entity providing notice without such action constituting a default of the Participating Addendum. Service to the Participating Entity and other Purchasing Entities will not be affected by funding deficiencies of a single Purchasing Entity.
13. Purchase Order Terms and Conditions: This Participating Addendum and the NASPO Master Agreement, (administered by the State of Utah) together with its exhibits (including Contractor's response to the NASPO solicitation attached thereto), set forth the entire

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agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Participating Addendum and the NASPO Master Agreement, together with its exhibits, shall not be added to or incorporated into this Participating Addendum or the NASPO Master Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby null and void. The terms and conditions of this Participating Addendum and the NASPO Master Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms. A Purchasing Entity or Participating Entity Purchase Order is not required to initiate services. Services shall be initiated consistent with Contractor's ordering documentation. In the event a Purchasing Entity or Participating Entity Purchase Order is used for ordering services, Contractor's ordering documentation shall also apply. Contractor shall have a right to deny any Purchasing Entity or Participating Entity Purchase Order. Services rendered to a Purchasing Entity or Participating Entity shall not affect such denial or be deemed evidence of acceptance. The parties agree that only Contractor's express agreement to a purchase order shall be binding.

The Participating Entity expressly agrees to the inclusion of Contractor's Rate and Service Guide and Tariff/Terms and Conditions of Service as set forth in the NASPO Master Agreement.

14. Purchasing Entity Fraud: In the interest of reducing the risk of fraud and unauthorized re-selling of Contractor services, nothing in this Participating Addendum shall obligate Contractor to provide services to any organization or entity other than the Participating Entity and authorized Purchasing Entities. If Contractor believes that a Purchasing Entity's shipping characteristics evidence fraudulent use of this Participating Addendum for the benefit of for-profit companies or other unauthorized users, it may, in its sole discretion, refuse service to the Purchasing Entity without notice.
15. Subcontractors: The Contractor is permitted to make subcontract(s) with any other party for furnishing any of the work or services herein. The Contractor shall be solely responsible for performance of the entire Contract whether or not subcontractors are used. The Participating Entity shall not be involved in the relationship between the Contractor and the subcontractor. Any issues that arise as a result of this relationship shall be resolved by the Contractor. For the avoidance of doubt, vendors and suppliers to the Contractor's business shall not be considered subcontractors.
16. Reserved:
17. Effective Date: Notwithstanding any other effective date contained in this agreement, the rates established under this agreement will be effective no sooner than three weeks after the date Contractor receives a fully executed contract with all required approvals from the State or as of the effective date, whichever is later.
18. Amendments: This Participating Addendum may be amended only by a written amendment duly executed by the State and the Vendor.

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IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity: North Carolina Division of Purchase and Co	Contractor: United Parcel Service
Signature: <i>PandC - Bahaa Jizi</i>	Signature: DocuSigned by: <i>Richard Wegner</i> DAAAE918C8B4AD...
Name: PandC - Bahaa Jizi	Name: Richard wegner
Title: State Procurement Manager	Title: Director Government Sales
Date: 02/02/2023	Date: 2/2/2023 8:31 AM PST

[Additional signatures may be added if required by the Participating Entity]

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For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Shannon Berry
Telephone:	(775) 720-3404
Email:	sberry@naspovaluepoint.org

***[Please email fully executed PDF copy of this
document to***

PA@naspovaluepoint.org

***to support documentation of participation and posting
in appropriate data bases.]***

NASPO- UPS Small Packaging- North Carolina Participating Addendum - final

Final Audit Report

2023-02-02

Created:	2023-02-02
By:	PandC - Melissa Pressley (melissa.pressley@doa.nc.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAwI5sHtRjCM8KRx9qNtBsxmFh1H11M7tX

"NASPO- UPS Small Packaging- North Carolina Participating Addendum - final" History

-  Document digitally presigned by DocuSign\, Inc. (enterprisesupport@docusign.com)
2023-02-02 - 4:31:14 PM GMT
-  Document created by PandC - Melissa Pressley (melissa.pressley@doa.nc.gov)
2023-02-02 - 6:25:04 PM GMT
-  Document emailed to PandC - Bahaa Jizi (bahaa.jizi@doa.nc.gov) for signature
2023-02-02 - 6:26:48 PM GMT
-  Email viewed by PandC - Bahaa Jizi (bahaa.jizi@doa.nc.gov)
2023-02-02 - 6:27:55 PM GMT
-  Document e-signed by PandC - Bahaa Jizi (bahaa.jizi@doa.nc.gov)
Signature Date: 2023-02-02 - 6:29:40 PM GMT - Time Source: server
-  Agreement completed.
2023-02-02 - 6:29:40 PM GMT