

STATE OF VERMONT PARTICIPATING ADDENDUM # 48988  
FOR NASPO VALUEPOINT PURCHASING PROGRAM: Facilities MRO and Industrial Supplies  
Led by the Commonwealth of Kentucky  
**NASPO Master Agreement # MA 758 2500000414**

**Contractor:** Fastenal Company

**Contractor's NASPO ValuePoint Webpage:** <https://www.naspovaluepoint.org/portfolio/facilities-mro-and-industrial-supplies-2024-2030/fastenal-company/>

1. **Parties.** This Participating Addendum (“Agreement”) 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 Agreement authorizes Purchasing Entities (defined below in section four) to purchase from Contractor certain products and services offered by Contractor under the Master Agreement identified above (“Master Agreement”) at or below the rates established under the Master Agreement for such products and services. The terms of the Master Agreement are hereby incorporated by reference as if fully set forth herein. Contractor’s awarded categories are:
  1. Janitorial Supplies, Equipment, and Sanitation Cleaning Chemicals
  2. Fasteners
  3. Material Handling
  4. Plumbing Equipment
  5. Power Sources
  6. Landscaping and Outdoor Supplies and Equipment
  7. Lamps, Lighting, Ballasts, and Equipment
  8. Heating, Ventilation, Air Conditioning (HVAC)
  9. Hand Tools
  10. Power Tools
  11. Electrical Supplies and Equipment
  12. Paint and Related Supplies
  13. Security
  14. Safety
  15. Other
3. **Definitions.** Capitalized terms used, but not defined herein, have the meanings ascribed to such terms in the Master Agreement.
4. **Entities Authorized to Use This Agreement.** This Agreement 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 (including, but not limited to, cities, towns, and school districts) 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”). Each State Purchaser and Additional Purchaser is referred to herein as a “Purchasing Entity” or collectively as “Purchasing Entities”. Issues concerning a Purchasing Entity’s eligibility for participation under this Agreement 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.*** This Agreement shall be effective on January 1, 2025 and end upon expiration of the Master Agreement, unless terminated earlier in accordance with the terms of this Agreement or the Master Agreement. An amendment to the term of this Agreement shall not be necessary in the event of the renewal or extension of the Master Agreement.
6. ***Restricted/Disallowed Products and Services.*** All products and services listed in the Master Agreement may be purchased under this Agreement, except for any restrictions or disallowed products and services set forth directly below in this section.
7. ***No Lease Agreements with State Purchasers.*** Contractor is prohibited from leasing to State Purchasers under this Agreement. Any breach of this prohibition shall be grounds for termination of this Agreement by the State and the immediate cancellation of any applicable purchases. Additional Purchasers are not subject to this prohibition and may negotiate lease agreements directly with Contractor if and to the extent leasing is contemplated under the terms of the Master Agreement.
8. ***Requirements for Ordering.***
  - a. Orders must be placed pursuant to this Agreement prior to the termination of this Agreement but may have a delivery date or performance period.
    - i. Notwithstanding the expiration, cancellation or termination of this Agreement, Contractor agrees to perform in accordance with the terms of any orders then outstanding at the time of such expiration or termination. Contractor shall not honor any orders placed after the expiration, cancellation, or termination of this Agreement, or otherwise inconsistent with its terms.
    - ii. Orders from any separate indefinite quantity, task orders, or other form of indefinite delivery order arrangement priced against this Agreement may not be placed after the expiration or termination of this Cooperative Purchasing Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.
  - b. All orders placed under this Participating Addendum must be in writing and shall, at a minimum, specify the following:
    - 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 Participating Addendum 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.
9. ***Requirements for Ordering Applicable to State Purchasers Only.*** The following requirements apply as between Contractor and State Purchasers only and are not applicable to Additional Purchasers. An Additional Purchaser may adopt procedures for purchasing under this Agreement as necessary to comply with its procurement policies and regulations.
- a. Contractor shall use the State of Vermont Ordering Document attached to this Agreement with State Purchasers.
  - b. The limit for a single, one-time purchase or an aggregate purchase of the same item is \$10,000.00.
    - i. Purchases or invoices should not be split in an attempt to stay under this maximum purchase threshold.
    - ii. If requirements exceed these limits, you must contact the Office of Purchasing & Contracting.
  - c. For orders greater than \$5,000, State Purchasers shall request quotes from multiple contractors when comparable items are available.
10. ***Payment Provisions and Invoicing.***
- a. Payment obligations shall be solely between the Purchasing Entity and the Contractor.
  - b. Purchasing Entities may solicit the Contractor or, as applicable, its 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.
  - d. Retainage may be specified in an order in an amount mutually agreeable to the parties.

- e. Overdue or other charges or penalty for late payment are not authorized and shall not apply to Purchasing Entities.
  - f. 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. As applicable, a copy of the notice(s) of acceptance shall accompany invoices submitted for payment.
  - g. Invoices shall be sent to the address identified on the Purchasing Entity's order and shall specify:
    - i. The address to which payments will be sent;
    - ii. The State of Vermont Contract Number for this Agreement, as indicated atop this Agreement; and
    - iii. The order number or other unique identifier for the order against which the invoice is being submitted.
  - h. Reimbursement of expenses is not authorized. Contractor rates set forth in an order shall be inclusive of any and all Contractor fees and expenses.
  - i. Unopened Products can be returned with no restocking fee up to 30 days from the date of receipt.
  - j. 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.
11. **eCommerce:** Upon request by the State, Contractor shall provide online ordering via punchout catalog hosted by the Contractor or their provider, with the specifications listed below. Requirements will involve some Agencies/Departments requesting quotes through Vermont's eProcurement System or eMarket Center. In addition, purchase orders must be accepted from Vermont's eProcurement System.

The eCommerce site must:

- allow CXML integration and support XML punchout purchase orders.
- display custom pricing and content for users of this contract.
- display only products and/or services available on this contract and not display items excluded or not awarded on this contract.
- allow for contract prices to remain constant even if pricing for the same items changes elsewhere on the site.

- accept orders with multiple ship-to addresses.
- accept bill-to and ship-to addresses from the order.
- assign a UNSPSC code to each product (desirable).
- accept requests for quotes for special orders/special pricing and make available for purchase orders

**12. *Fulfillment Partners/Authorized Resellers.***

- Resellers (or Fulfillment Partners) are available for this Agreement 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 dedicated webpage listed atop this Agreement.
- All State policies, guidelines, and requirements shall apply to Authorized Resellers.
- Contractor shall be responsible for successful performance and compliance with all requirements in accordance with the terms and conditions of this Agreement. Contractor acknowledges that each and all of the promises it makes as “Contractor” in this Agreement and the Master Agreement apply to all Products and Services provided hereunder, regardless of who is providing or licensing the Product or performing the work.

**13. *Reporting.*** Contractor shall submit quarterly reports electronically detailing the purchasing of all items by all Purchasing Entities under this Agreement. If the format for reporting is not otherwise set forth under the Master Agreement, Contractor’s reporting shall detail the minimum requirements for orders as set out in section 8.b, above. Contractor’s reporting shall state "no activity" for any month in which there is no activity during a quarterly reporting period.

- The reports shall be an excel spreadsheet transmitted electronically to [SOV.ThePathForward@vermont.gov](mailto:SOV.ThePathForward@vermont.gov).
- 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 |

- Failure to meet these reporting requirements may result in suspension or termination of this Participating Addendum.

**14. *Prior Approvals.*** This Agreement shall not be binding until it has been approved by the State in accordance with current State law, bulletins, and interpretations.

**Contractor:** Fastenal Company

15. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this Agreement shall be effective unless reduced to writing, numbered, and signed by the duly authorized representatives of the State and Contractor.
16. **Termination.** This Agreement may be terminated by the State at any time upon 30 days prior written notice to the Contractor.
17. **Primary Contacts.** The Parties will keep and maintain current at all times a primary point of contact for this Agreement, which are presently as follows:

a. **For the Contractor:**

Name: Zach Wise  
Address: 2001 Theurer Blvd, Winona, MN 55987  
Phone: 833-790-9932  
Email: [nasposupport@fastenal.com](mailto:nasposupport@fastenal.com)

b. **For the State:**

Name: Kyle Emerson, State of Vermont  
Address: 133 State Street, 5<sup>th</sup> Floor, Montpelier, VT 05633-8000  
Phone: 802-249-7394  
Email: [kyle.emerson@vermont.gov](mailto:kyle.emerson@vermont.gov)

18. **No effect of Click-Through or Other Additional Terms and Conditions.** Where a Purchasing Entity is required to click-through or otherwise accept or made subject to any electronic terms and conditions to use or access any Product or Service purchased hereunder, such terms and conditions are not binding and shall have no force or effect as to the Product or Service, this Agreement, or the applicable order for the Product or Service. Further, any terms and conditions of a Party's invoice, acknowledgment, confirmation, or similar documents, shall not apply to any order under this Agreement, or to this Agreement, and any such terms and conditions on any such document are objected to without need of further notice or objection.
19. **Attachments; Order of Precedence.** The following documents are made part of this Agreement and any ambiguity or conflict among them shall be resolved by giving priority to the documents in the order in which they are listed below.
- a. "Attachment C: Standard State Provisions for Contracts and Grants" (revision version dated October 1, 2024) is hereby incorporated by reference as if fully set forth herein and shall apply this this Agreement and shall apply to each order placed under this Agreement as if fully set forth in the order. A copy of this document is available online at: <https://bgs.vermont.gov/purchasing-contracting/forms> .
- b. If specified in an order made by a State Purchaser under this Agreement, the terms and conditions of the State of Vermont Business Associate Agreement, revised May 2019 shall be incorporated by reference and apply to the order as if specifically set forth in the order. A copy of this document is available online at: <https://bgs.vermont.gov/purchasing-contracting/forms> .

**Contractor:** Fastenal Company

- c. If specified in an order made by a State Purchaser under this Agreement, the “STATE OF VERMONT- FEDERAL TERMS SUPPLEMENT (Non-Construction) for all Contracts and Purchases of Products and Services Using Federal Funds (Revision date: May 24, 2024)” shall be incorporated by reference and apply to the order as if fully set forth in the order. A copy of this document is available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>.

- d. Byrd Anti-Lobbying Certification. Applicable to contracts over \$100,000.00 - this clause must be included in all subcontracts over \$100,000.00.

Contractor has provided the certification required by the Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended, and will follow the requirements for certification of each lower tier (subcontract) to disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures will be forwarded from tier to tier up to the Contractor who in turn will forward the certification(s) to the federal awarding agency.

- e. The Master Agreement, together with its exhibits, is hereby incorporated by reference as if fully set forth herein and shall apply to this Agreement and shall apply to each order placed under this Agreement as though fully set forth in the order.
- f. An order placed against this Agreement.

STATE OF VERMONT PARTICIPATING ADDENDUM # 48988

**Contractor:** Fastenal Company

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:

By Fastenal Company:

Date: 12/11/2024

Date: 12/10/2024

Signed by:  
Signature: Wanda Miloni  
12B214FBE2BC40D...

Signature: William Drazkowski

Name: Wanda Miloni

Name: William Drazkowski

Title: Commissioner – Buildings & General Services

Title: Executive Vice President

**Extended Description:**

|                                                            |                |                                                         |                |
|------------------------------------------------------------|----------------|---------------------------------------------------------|----------------|
| DocuSign Envelope ID: 1A21D9DB-E502-41CC-AD3A-860FA4D1AB93 |                |                                                         |                |
|                                                            | Document Phase | Document Description                                    | Page 2         |
| 2500000414                                                 | Draft          | Facilities MRO and Industrial Supplies NASPO (Fastenal) | Total Pages: 2 |

See “Attachment A” for Terms and Conditions. The terms and conditions set out in “Attachment A” are incorporated into and are a part of the Contract.

**Master Agreement Number MA 758 2500000414**  
**for**  
**FACILITIES MRO AND INDUSTRIAL SUPPLIES**  
**between**  
**the State of Kentucky**  
**and**  
**Fastenal Company**

This Master Agreement is entered into by the State of Kentucky ("Lead State") and the following contractor (each a "Party" and collectively the "Parties") as a result of Solicitation Number RFP 758 2400000228 (the "RFP") for the purpose of providing Facilities MRO and Industrial Supplies through the NASPO ValuePoint cooperative purchasing program:

Fastenal Company ("Contractor")  
2001 Theurer Blvd.  
Winona, Mn. 55987

**MASTER AGREEMENT CONTACTS.**

Contractor's contact for this Master Agreement is:

Zach Wise  
Government Sales Manager  
govsales@fastenal.com  
507-313-7206

Lead State's contact for this Master Agreement is:

Daniel Salvato, CPPB, NIGP-CPP, KCPM  
Office of Procurement Services  
200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, KY 40622  
(502) 564-5862  
[daniel.salvato@ky.gov](mailto:daniel.salvato@ky.gov)

**TERM.** This Master Agreement is effective as of the date of September 1, 2024, and will terminate on August 31, 2026 unless terminated sooner or extended or renewed in accordance with the terms set forth herein. Renewals totaling up to four years following the initial term may be exercised upon mutual agreement by the Parties.

**ATTACHMENTS.** This Master Agreement includes the following attachments:

Attachment A: Master Agreement Terms and Conditions  
Exhibit 1: Description of Goods and/or Services and Discount Percentages  
Exhibit 2: Environmentally Preferred Products  
Exhibit 3: NASPO ValuePoint Sales Data Report Form

**SIGNATURE.** The undersigned for each Party represents and warrants that this Master Agreement is a valid and legal agreement binding on the Party and enforceable in accordance with the Master Agreement's terms and that the undersigned is duly authorized and has legal capacity to execute and deliver this Master Agreement and bind the Party hereto.

IN WITNESS WHEREOF, the Parties have executed this Master Agreement.

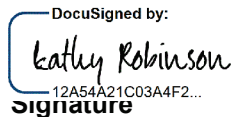
**CONTRACTOR:**

  
Signature

8/28/2024  
Date

William Dratzkowski, Executive Vice President  
Printed Name and Title

**LEAD STATE:**

DocuSigned by:  
  
Signature

8/30/2024  
Date

Kathy Robinson, Executive Director  
Printed Name and Title

## Attachment A



### MASTER AGREEMENT TERMS AND CONDITIONS

#### NASPO VALUEPOINT MASTER AGREEMENT TERMS AND CONDITIONS

##### I. Definitions

- 1.1 **Acceptance** means acceptance of goods and services as set forth in Section IX of this Master Agreement.
- 1.2 **Contractor** means a party to this Master Agreement, whether a person or entity, that delivers goods or performs services under the terms set forth in this Master Agreement.
- 1.3 **Embedded Software** means one or more software applications which permanently reside on a computing device.
- 1.4 **Intellectual Property** means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.
- 1.5 **Lead State** means the State centrally administering any resulting Master Agreement(s) who is a party to this Master Agreement.
- 1.6 **Master Agreement** means the underlying agreement executed by and between the Lead State, acting in cooperation with NASPO ValuePoint, and the Contractor, as now or hereafter amended.
- 1.7 **NASPO ValuePoint** is a division of the National Association of State Procurement Officials ("NASPO"), a 501(c)(3) corporation. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (i.e., colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports, as well as other contract administration functions as assigned by the Lead State.

- 1.8 Order or Purchase Order** means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.
- 1.9 Participating Addendum** means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any additional Participating Entity-specific language or other requirements (e.g., ordering procedures specific to the Participating Entity, entity-specific terms and conditions, etc.).
- 1.10 Participating Entity** means a state (as well as the District of Columbia and US territories), city, county, district, other political subdivision of a State, or a nonprofit organization under the laws of some states properly authorized to enter into a Participating Addendum, that has executed a Participating Addendum.
- 1.11 Participating State** means a state that has executed a Participating Addendum or has indicated an intent to execute a Participating Addendum.
- 1.12 Product or Products and Services** means any equipment, software (including embedded software), documentation, service, or other deliverable supplied or created by the Contractor pursuant to this Master Agreement. The term Product includes goods and services.
- 1.13 Purchasing Entity** means a state (as well as the District of Columbia and US territories), city, county, district, other political subdivision of a State, or a nonprofit organization under the laws of some states if authorized by a Participating Addendum, that issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.

## II. Term of Master Agreement

- 2.1 Initial Term.** The initial term of this Master Agreement is for two years. The term of this Master Agreement may be amended beyond the initial term for four additional years (two renewals for two years each) at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance. The Lead State may, prior to execution, adjust the effective date or duration of the initial term or renewal period of any Master Agreement for the purpose of making the Master Agreement coterminous with others.
- 2.2 Amendment Limitations.** The terms of this Master Agreement will not be waived, altered, modified, supplemented, or amended in any manner whatsoever without prior written agreement of the Lead State and Contractor.
- 2.3 Amendment Term.** The term of the Master Agreement may be amended past the initial term and stated renewal periods for a reasonable period if in

the judgment of the Lead State a follow-on competitive procurement will be unavoidably delayed (despite good faith efforts) beyond the planned date of execution of the follow-on master agreement. This subsection will not be deemed to limit the authority of a Lead State under its state law to otherwise negotiate contract extensions.

### III. Order of Precedence

**3.1 Order.** Any Order placed under this Master Agreement will consist of the following documents:

- 3.1.1** A Participating Entity's Participating Addendum ("PA");
- 3.1.2** NASPO ValuePoint Master Agreement, including all attachments thereto;
- 3.1.3** A Purchase Order or Scope of Work/Specifications issued against the Master Agreement;
- 3.1.4** The Solicitation or, if separately executed after award, the Lead State's bilateral agreement that integrates applicable provisions;
- 3.1.5** Contractor's response to the Solicitation, as revised (if permitted) and accepted by the Lead State.

**3.2 Conflict.** These documents will be read to be consistent and complementary. Any conflict among these documents will be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.

**3.3 Participating Addenda.** Participating Addenda will not be construed to diminish, modify, or otherwise derogate any provisions in this Master Agreement between the Lead State and Contractor. The term of a Participating Addendum will not exceed the term of this Master Agreement, except when a Participating Entity determines an extension of its Participating Addendum is necessary to avoid a lapse in contract coverage and is permitted by law.

### IV. Participants and Scope

**4.1 Requirement for a Participating Addendum.** Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed.

**4.2 Applicability of Master Agreement.** NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a

Participating Addendum, subject to Section III. For the purposes of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g., purchase order or contract) used by the Purchasing Entity to place the Order.

**4.3 Obligated Entities.** Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Participating Entities incur no financial obligations on behalf of other Purchasing Entities.

**4.4 Notice of Participating Addendum.** Contractor shall email a fully executed PDF copy of each Participating Addendum to [pa@naspo.valuepoint.org](mailto:pa@naspo.valuepoint.org) to support documentation of participation and posting in appropriate databases.

#### **4.5 Participating Entities.**

**4.5.1** If not proscribed by law or by the Chief Procurement Official of the state in which the entity is located, an entity may be eligible to execute a Participating Addendum directly with Contractor. Such entities may include:

**4.5.1.1** Political subdivisions, public agencies, and service districts;

**4.5.1.2** Public and private educational institutions, including K-12 public, charter, and private schools; institutions of higher education; and trade schools;

**4.5.1.3** Federally recognized tribes;

**4.5.1.4** Quasi-governmental entities; and

**4.5.1.5** Eligible non-profit organizations.

**4.5.2** Prior to execution of a Participating Addendum with an entity listed above, Contractor shall coordinate with NASPO to confirm the entity's eligibility to execute a Participating Addendum. A determination that an entity is eligible to execute a Participating Addendum is not a determination that procurement authority exists;

each entity must ensure it has the requisite procurement authority to execute a Participating Addendum.

**4.6 Prohibition on Resale.** Subject to any specific conditions included in the solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products purchased under this Master Agreement. Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.

**4.7 Individual Customers.** Except as may otherwise be agreed to by the Purchasing Entity and Contractor, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement and as the Participating Entity has in the Participating Addendum, including but not limited to any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.

**4.8 Release of Information.** Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan.

**4.9 No Representations.** The Contractor shall not make any representations of NASPO ValuePoint, the Lead State, any Participating Entity, or any Purchasing Entity's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent.

## **V. NASPO ValuePoint Provisions**

**5.1 Applicability.** NASPO ValuePoint is not a party to the Master Agreement. The terms set forth in Section V are for the benefit of NASPO ValuePoint as a third-party beneficiary of this Master Agreement.

### **5.2 Administrative Fees**

**5.2.1 NASPO ValuePoint Fee.** Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee must be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with a vendor's response to the Lead State's solicitation.

**5.2.2 State Imposed Fees.** Some states may require an additional fee be paid by Contractor directly to the state on purchases made by Purchasing Entities within that state. For all such requests, the fee rate or amount, payment method, and schedule for such reports and payments will be incorporated into the applicable Participating Addendum. Unless agreed to in writing by the state, Contractor may not adjust the Master Agreement pricing to include the state fee for purchases made by Purchasing Entities within the jurisdiction of the state. No such agreement will affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by Purchasing Entities outside the jurisdiction of the state requesting the additional fee.

### **5.3 NASPO ValuePoint Summary and Detailed Usage Reports**

**5.3.1 Sales Data Reporting.** In accordance with this section, Contractor shall report to NASPO ValuePoint all Orders under this Master Agreement for which Contractor has invoiced the ordering entity or individual, including Orders invoiced to Participating Entity or Purchasing Entity employees for personal use if such use is permitted by this Master Agreement and the applicable Participating Addendum ("Sales Data"). Timely and complete reporting of Sales Data is a material requirement of this Master Agreement. Reporting requirements, including those related to the format, contents, frequency, or delivery of reports, may be updated by NASPO ValuePoint with reasonable notice to Contractor and without amendment to this Master Agreement. NASPO ValuePoint shall have exclusive ownership of any media on which reports are submitted and shall have a perpetual, irrevocable, non-exclusive, royalty free, and transferable right to display, modify, copy, and otherwise use reports, data, and information provided under this section.

**5.3.2 Summary Sales Data.** “Summary Sales Data” is Sales Data reported as cumulative totals by state. Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Summary Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. If Contractor has no reportable Sales Data for the quarter, Contractor shall submit a zero-sales report.

**5.3.3 Detailed Sales Data.** “Detailed Sales Data” is Sales Data that includes for each Order all information required by the Solicitation or by NASPO ValuePoint, including customer information, Order information, and line-item details. Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Detailed Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. Detailed Sales Data shall be reported in the format provided in the Solicitation or provided by NASPO ValuePoint. The total sales volume of reported Detailed Sales Data shall be consistent with the total sales volume of reported Summary Sales Data.

**5.3.4 Sales Data Crosswalks.** Intentionally omitted.

**5.3.5 Executive Summary.** Contractor shall, upon request by NASPO ValuePoint, provide NASPO ValuePoint with an executive summary that includes but is not limited to a list of states with an active Participating Addendum, states with which Contractor is in negotiations, and any Participating Addendum roll-out or implementation activities and issues. NASPO ValuePoint and Contractor will determine the format and content of the executive summary.

#### **5.4 NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review**

**5.4.1 Staff Education.** Contractor shall work cooperatively with NASPO ValuePoint personnel. Contractor shall present plans to NASPO ValuePoint for the education of Contractor’s contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the master agreement and participating addendum process, and the manner in which eligible entities can participate in the Master Agreement.

**5.4.2 Onboarding Plan.** Upon request by NASPO ValuePoint, Contractor shall, as Participating Addendums are executed, provide plans to launch the program for the Participating Entity. Plans will

include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the scope and terms of the Master Agreement as available to the Participating Entity and eligible Purchasing Entities.

**5.4.3 Annual Contract Performance Review.** Contractor shall participate in an annual contract performance review with the Lead State and NASPO ValuePoint, which may at the discretion of the Lead State be held in person and which may include a discussion of marketing action plans, target strategies, marketing materials, Contractor reporting, and timeliness of payment of administration fees.

**5.4.4 Use of NASPO ValuePoint Logo.** The NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a separate logo use agreement is executed with NASPO ValuePoint.

**5.4.5 Most Favored Customer.** Contractor shall, within thirty (30) days of their effective date, notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-party contracts or agreements that may affect the promotion of this Master Agreement or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this Master Agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions.

## **5.5 NASPO ValuePoint eMarketPlace**

**5.5.1** The NASPO ValuePoint cooperative provides an eMarketPlace for public entities to access a central online platform to view and/or purchase the goods, services, and solutions available from NASPO ValuePoint's cooperative Master Agreements. This eMarketPlace is provided by NASPO at no additional cost to the Contractor or public entities. Its purpose is to facilitate the connection of public entities with Contractors who meet the requisite needs for a good, service, or solution by that entity through a NASPO ValuePoint Master Agreement.

**5.5.2** Contractor shall cooperate in good faith with NASPO, and any third party acting as an agent on behalf of NASPO, to integrate Contractor's industry presence by either an electronic hosted catalog, punchout site, or providing eQuotes through the NASPO eMarketPlace, per the Implementation Timeline as further described below.

**5.5.3** Regardless of how Contractor's presence is reflected in the eMarketPlace (*i.e.*, hosted catalog, punchout site, or eQuote),

Contractor's listed offerings must be strictly limited to Contractor's awarded contract offerings through the NASPO award. Products and/or services not authorized through the resulting NASPO cooperative contract should not be viewable by NASPO ValuePoint eMarketPlace users. Furthermore, products and/or services not authorized through a Participating Addendum should not be viewable by NASPO ValuePoint eMarketPlace users utilizing that Participating Addendum. The accuracy of Contractor's offerings through the eMarketPlace must be maintained by Contractor throughout the duration of the Master Agreement.

- 5.5.4** Contractor agrees that NASPO controls which Master Agreements appear in the eMarketPlace and that NASPO may elect at any time to remove any of Contractor's offerings from the eMarketPlace.
- 5.5.5** Contractor is solely responsible for the accuracy, quality, and legality of Contractor's Content on the eMarketPlace. "Content" means all information that is generated, submitted, or maintained by Contractor or otherwise made available by Contractor on the eMarketPlace, including Contractor catalogs. Contractor's Content shall comply with and accurately reflect the terms and pricing of this Master Agreement.
- 5.5.6** Contractor's use of the eMarketPlace shall comply with the eMarketPlace's Terms of Use.
- 5.5.7** Contractor is solely responsible for the security and accuracy of transactions facilitated through the eMarketPlace, including the assessment, collection, and remittance of any sales tax.
- 5.5.8** Lead State reserves the right to approve all pricing, catalogs, and information on the eMarketPlace. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices required by the Master Agreement.
- 5.5.9** NASPO Participating Entities may have their own procurement system, separate from the NASPO eMarketPlace, that enables the use of certain NASPO Master Agreements. In the event one of these entities elects to use this NASPO ValuePoint Master Agreement (available through the eMarketPlace) but publish to their own eMarketPlace, Contractor agrees to work in good faith with the entity and NASPO to implement the catalog.
- 5.5.10** In the event a Participating Entity has entity-specific catalog requirements set forth in its Participating Addendum (e.g., entity-

specific pricing, restrictions in the scope of offerings, etc.), Contractor shall ensure its eMarketPlace Content for that Participating Entity accurately reflects and is compliant with these requirements.

**5.5.11 Implementation Timeline:** Following the execution of Contractor's Master Agreement, NASPO will provide a written request to Contractor to begin the onboarding process into the eMarketPlace. Contractor shall have fifteen (15) days from receipt of written request to work with NASPO to set up an enablement schedule, at which time the technical documentation for onboarding shall be provided to Contractor. The schedule will include future calls and milestone dates related to test and go live dates.

**5.5.11.1** Contractor's NASPO eMarketPlace account with eQuoting functionality shall minimally be established within thirty (30) days following the written request.

**5.5.11.2** Contractor shall deliver either a (1) hosted catalog or (2) punchout site, pursuant to the mutually agreed upon enablement schedule.

**5.5.11.3** NASPO will work with Contractor to decide which structures between hosted catalog, punchout site, and/or eQuoting as further described below will be provided by Contractor.

**5.5.11.3.1 Hosted Catalog.** By providing a hosted catalog, Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to NASPO, such as a tab delimited text file. Contractor is solely responsible for ensuring the most up-to-date versions of its product/service offerings approved by the Lead State under this Master Agreement are reflected in the eMarketPlace.

**5.5.11.3.2 Punchout Site.** By providing a punchout site, Contractor is providing its own online catalog, which must be capable of being integrated with the eMarketPlace as a Standard punchout via Commerce eXtensible Markup Language (cXML). Contractor shall validate that its online catalog is up-to-date. The site must also return detailed UNSPSC codes for each line item.

**5.5.11.3.3eQuoting.** NASPO will work with Contractor to set up participation and use to provide eQuotes through the NASPO eMarketPlace. This requirement would be in addition to any requirement to provide a hosted catalog or punchout site.

**5.5.12** Hosted catalogs and punchout sites will provide all of the eMarketPlace standard data elements/information including, but not limited to, the following:

- 5.5.12.1** The most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is authorized to provide in accordance with this Master Agreement;
- 5.5.12.2** A Lead State contract identification number for this Master Agreement;
- 5.5.12.3** Detailed product line item descriptions;
- 5.5.12.4** Pictures illustrating products, services, or solutions where practicable; and
- 5.5.12.5** Any additional NASPO, Lead State, or Participating Addendum requirements.

**5.6 Cancellation.** In consultation with NASPO ValuePoint, the Lead State may, in its discretion, cancel the Master Agreement or not exercise an option to renew, when utilization of Contractor's Master Agreement does not warrant further administration of the Master Agreement. The Lead State may also exercise its right to not renew the Master Agreement if the Contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after execution of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement or terminate for default subject to the terms herein. This subsection also does not limit any right of the Lead State to cancel the Master Agreement under applicable laws.

**5.7 Canadian Participation.** Subject to the approval of Contractor, any Canadian provincial government or provincially funded entity in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, or Saskatchewan, and territorial government or territorial government funded entity in the Northwest

Territories, Nunavut, or Yukon, including municipalities, universities, community colleges, school boards, health authorities, housing authorities, agencies, boards, commissions, and crown corporations, may be eligible to use Contractor's Master Agreement.

**5.8 Additional Agreement with NASPO.** Upon request by NASPO ValuePoint, awarded Contractor shall enter into a direct contractual relationship with NASPO ValuePoint related to Contractor's obligations to NASPO ValuePoint under the terms of the Master Agreement, the terms of which shall be the same or similar (and not less favorable) than the terms set forth in the Master Agreement.

## **VI. Pricing, Payment & Leasing**

**6.1 Pricing.** The discount percentages contained in this Master Agreement or offered under this Master Agreement represent the minimum discount to any Purchasing Entity.

**6.1.1** All discount percentages must be guaranteed for the term of the Master Agreement.

**6.1.2** Pricing shall be held static, or reduced, from order through delivery. No pricing increases between order and delivery shall be accepted.

**6.1.3** Any adjustment or amendment to the Master Agreement will not be effective unless approved in writing by the Lead State and Contractor.

**6.1.4** No retroactive adjustments to prices or rates will be allowed.

**6.2 Payment.** Unless otherwise agreed upon in a Participating Addendum or Order, Payment after Acceptance will be made within thirty (30) days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum or Order, or otherwise prescribed by applicable law. Payments will be remitted in the manner specified in the Participating Addendum or Order. Payments may be made via a purchasing card with no additional charge.

**6.3 Leasing or Alternative Financing Methods.** The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

## VII. Ordering

**7.1 Order Numbers.** Master Agreement order and purchase order numbers must be clearly shown on all acknowledgments, packing slips, invoices, and on all correspondence.

**7.2 Quotes.** Purchasing Entities may define entity-specific or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an “as needed” basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the Purchasing Entity’s rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost, and other factors considered.

**7.3 Applicable Rules.** Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities’ rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.

**7.4 Required Documentation.** Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.

**7.5 Term of Purchase.** Orders may be placed consistent with the terms of this Master Agreement and applicable Participating Addendum during the term of the Master Agreement and Participating Addendum.

**7.5.1** Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement.

**7.5.2** Notwithstanding the previous, Orders must also comply with the terms of the applicable Participating Addendum, which may further restrict the period during which Orders may be placed or delivered.

**7.5.3** Financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.

**7.5.4** Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor shall perform in accordance with the terms of any Orders then outstanding at the time of such expiration

or termination. Contractor shall not honor any Orders placed after the expiration, cancellation, or termination of this Master Agreement, or in any manner inconsistent with this Master Agreement's terms.

**7.5.5** Orders for any separate indefinite quantity, task order, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.

**7.6 Order Form Requirements.** All Orders pursuant to this Master Agreement, at a minimum, must include:

**7.6.1** The services or supplies being delivered;

**7.6.2** A shipping address and other delivery requirements, if any;

**7.6.3** A billing address;

**7.6.4** Purchasing Entity contact information;

**7.6.5** Pricing consistent with this Master Agreement and applicable Participating Addendum and as may be adjusted by agreement of the Purchasing Entity and Contractor;

**7.6.6** A not-to-exceed total for the products or services being ordered; and

**7.6.7** The Master Agreement number or the applicable Participating Addendum number, provided the Participating Addendum references the Master Agreement number.

**7.7 Communication.** All communications concerning administration of Orders placed must be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.

**7.8 Contract Provisions for Orders Utilizing Federal Funds.** Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

## VIII. Shipping and Delivery

**8.1 Shipping Terms.** All deliveries, except as noted below, will be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor.

**8.1.1** Additional shipping charges for oversized or overweight items that require special shipping are allowed but must be identified as part of the ordering process.

**8.1.2** Notwithstanding the above, responsibility and liability for loss or damage will remain the Contractor's until final inspection and acceptance when responsibility will pass to the Purchasing Entity except as to latent defects, fraud, and Contractor's warranty obligations.

**8.2 Minimum Shipping.** The minimum shipment amount, if any, must be contained in the Master Agreement. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered will be shipped without charge.

**8.3 Inside Deliveries.** To the extent applicable, all deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to a location other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Costs to repair any damage to the building interior (e.g., scratched walls, damage to the freight elevator, etc.) caused by Contractor or Contractor's carrier will be the responsibility of the Contractor. Immediately upon becoming aware of such damage, Contractor shall notify the Purchasing Entity placing the Order.

**8.4 Packaging.** All products must be delivered in the manufacturer's standard package. Costs must include all packing and/or crating charges. Cases must be of durable construction, in good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton must be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

## IX. Inspection and Acceptance

**9.1 Laws and Regulations.** Any and all Products offered and furnished must comply fully with all applicable Federal, State, and local laws and regulations.

**9.2 Applicability.** Unless otherwise specified in the Master Agreement, Participating Addendum, or ordering document, the terms of this Section IX will apply. This section is not intended to limit rights and remedies under the applicable commercial code.

**9.3 Inspection.** All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, or to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, at reasonable times, to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement.

**9.3.1** Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantially impairs value) latent or hidden defects subsequently revealed when goods are put to use.

**9.3.2** Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.

**9.4 Failure to Conform.** If any services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase in Order amount. When defects cannot be corrected by re-performance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and reduce the contract price to reflect the reduced value of services performed.

**9.5 Acceptance Testing.** Purchasing Entity may establish a process, in keeping with industry standards, to ascertain whether the Product meets the standard of performance or specifications prior to Acceptance by the Purchasing Entity.

**9.5.1** The Acceptance Testing period will be thirty (30) calendar days, unless otherwise specified, starting from the day after the Product is delivered or, if installed by Contractor, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing.

**9.5.2** If the Product does not meet the standard of performance or specifications during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met.

**9.5.3** Upon rejection, the Contractor will have fifteen (15) calendar days to cure. If after the cure period, the Product still has not met the standard of performance or specifications, the Purchasing Entity

may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor.

**9.5.4** Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section.

**9.5.5** No Product will be deemed Accepted and no charges will be paid until the standard of performance or specification is met.

## **X. Warranty**

**10.1 Applicability.** Unless otherwise specified in the Master Agreement, Participating Addendum, or ordering document, the terms of this Section X will apply.

**10.2 Warranty.** The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects.

**10.3 Breach of Warranty.** Upon breach of the warranty set forth above, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made.

**10.4 Rights Reserved.** The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

**10.5 Warranty Period Start Date.** The warranty period will begin upon Acceptance, as set forth in Section IX.

## **XI. Product Title**

**11.1 Conveyance of Title.** Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests.

**11.2 Embedded Software.** Transfer of title to the Product must include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license will be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

**11.3 License of Pre-Existing Intellectual Property.** Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third-party rights in the Pre-existing Intellectual Property.

## **XII. Indemnification**

**12.1 General Indemnification.** The Contractor shall defend, indemnify and hold harmless NASPO, NASPO ValuePoint, the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from any act, error, or omission of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to performance under this Master Agreement.

**12.2 Intellectual Property Indemnification.** The Contractor shall defend, indemnify and hold harmless NASPO, NASPO ValuePoint, the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use infringes Intellectual Property rights of another person or entity ("Intellectual Property Claim").

**12.2.1** The Contractor's obligations under this section will not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:

**12.2.1.1** provided by the Contractor or the Contractor's subsidiaries or affiliates;

**12.2.1.2** specified by the Contractor to work with the Product;

**12.2.1.3** reasonably required to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available

product, system or method capable of performing the same function; or

**12.2.1.4** reasonably expected to be used in combination with the Product.

**12.2.2** The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of the Intellectual Property Claim. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible.

**12.2.3** The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of the Intellectual Property Claim and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim.

**12.2.4** Unless otherwise set forth herein, Section 12.2 is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

### **XIII. Insurance**

**13.1 Term.** Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. A Participating Entity may negotiate alternative Insurance requirements in their Participating Addendum.

**13.2 Class.** Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A-, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a

Participating Entity's option, result in termination of its Participating Addendum.

**13.3 Coverage.** Coverage must be written on an occurrence basis. The minimum acceptable limits will be as indicated below:

**13.3.1** Contractor shall maintain Commercial General Liability insurance covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence and \$2 million general aggregate;

**13.3.2** Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.

**13.4 Notice of Cancellation.** Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.

**13.5 Notice of Endorsement.** Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) provides that written notice of cancellation will be delivered in accordance with the policy provisions, and (2) provides that the Contractor's liability insurance policy will be primary, with any liability insurance of any Participating State as secondary and noncontributory.

**13.6 Participating Entities.** Contractor shall provide to Participating States and Participating Entities the same insurance obligations and documentation as those specified in Section XIII, except the endorsement is provided to the applicable Participating State or Participating Entity.

**13.7 Furnishing of Certificates.** Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance will be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.

**13.8 Disclaimer.** Insurance coverage and limits will not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

#### **XIV. General Provisions**

##### **14.1 Records Administration and Audit**

- 14.1.1** The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as will adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right will survive for a period of six (6) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Master Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- 14.1.2** Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- 14.1.3** The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement that requires the Contractor to self-audit contract obligations and that permits the Lead State to review compliance with those obligations.

##### **14.2 Confidentiality, Non-Disclosure, and Injunctive Relief**

- 14.2.1 Confidentiality.** Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire

information that is confidential to Purchasing Entity or Purchasing Entity's clients.

- 14.2.1.1** Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of Purchasing Entity ("Confidential Information").
- 14.2.1.2** Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information.
- 14.2.1.3** Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity; or (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.

**14.2.2 Non-Disclosure.** Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement.

- 14.2.2.1** Contractor shall advise each of its employees and agents of their obligations to keep Confidential

Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information.

**14.2.2.2** Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person.

**14.2.2.3** Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information.

**14.2.2.4** Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits, and evidence of the performance of this Master Agreement.

**14.2.3 Injunctive Relief.** Contractor acknowledges that Contractor's breach of Section 14.2 would cause irreparable injury to the Purchasing Entity that cannot be inadequately compensated in monetary damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.

**14.2.4 Purchasing Entity Law.** These provisions will be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.

**14.2.5 NASPO ValuePoint.** The rights granted to Purchasing Entities and Contractor's obligations under this section will also extend to NASPO ValuePoint's Confidential Information, including but not limited to Participating Addenda, Orders or transaction data relating to Orders under this Master Agreement that identify the entity/customer, Order dates, line-item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to this Master Agreement. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

**14.2.6 Public Information.** This Master Agreement and all related documents are subject to disclosure pursuant to the Lead State's public information laws.

### **14.3 Assignment/Subcontracts**

**14.3.1** Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.

**14.3.2** The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties, to NASPO ValuePoint and other third parties.

**14.3.3** 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 Lead State shall not be involved in the relationship between the prime contractor and the subcontractor. Any issues that arise as a result of this relationship shall be resolved by the prime contractor. All references to the contractor shall be construed to encompass both the contractor and any subcontractors of the contractor.

**14.4 Changes in Contractor Representation.** The Contractor must, within ten (10) calendar days, notify the Lead State in writing of any changes in the Contractor's key administrative personnel managing the Master Agreement. The Lead State reserves the right to approve or reject changes in key personnel, as identified in the Contractor's proposal. The Contractor shall propose replacement key personnel having substantially equal or better

education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

**14.5 Independent Contractor.** Contractor is an independent contractor.

Contractor has no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and shall not to hold itself out as agent except as expressly set forth herein or as expressly set forth in an applicable Participating Addendum or Order.

**14.6 Cancellation.** Unless otherwise set forth herein, this Master Agreement may be canceled by either party upon sixty (60) days' written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon thirty (30) days' written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision will not affect the rights and obligations attending Orders outstanding at the time of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

**14.7 Force Majeure.** Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or acts of war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement upon determining such delay or default will reasonably prevent successful performance of the Master Agreement.

**14.8 Defaults and Remedies**

**14.8.1** The occurrence of any of the following events will be an event of default under this Master Agreement:

**14.8.1.1** Nonperformance of contractual requirements;

**14.8.1.2** A material breach of any term or condition of this Master Agreement;

**14.8.1.3** Any certification, representation or warranty by Contractor in response to the solicitation or in this Master Agreement that proves to be untrue or materially misleading;

**14.8.1.4** Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar

officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or

**14.8.1.5** Any default specified in another section of this Master Agreement.

**14.8.2** Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of fifteen (15) calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure will not diminish or eliminate Contractor's liability for damages, including liquidated damages to the extent provided for under this Master Agreement.

**14.8.3** If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:

**14.8.3.1** Any remedy provided by law;

**14.8.3.2** Termination of this Master Agreement and any related Contracts or portions thereof;

**14.8.3.3** Assessment of liquidated damages as provided in this Master Agreement;

**14.8.3.4** Suspension of Contractor from being able to respond to future bid solicitations;

**14.8.3.5** Suspension of Contractor's performance; and

**14.8.3.6** Withholding of payment until the default is remedied.

**14.8.4** Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in an Order, a Purchasing Entity shall provide written notice of default

as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions will be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

**14.9 Waiver of Breach.** Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies will not operate as a waiver under this Master Agreement, any Participating Addendum, or any Purchase Order. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating Addendum, or Purchase Order will not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, any Participating Addendum, or any Purchase Order.

**14.10 Debarment.** The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in public procurement or contracting by any governmental department or agency. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

#### **14.11 No Waiver of Sovereign Immunity**

**14.11.1** In no event will this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

**14.11.2** This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and

immunity based on the Eleventh Amendment to the Constitution of the United States.

#### **14.12 Governing Law and Venue**

- 14.12.1** The procurement, evaluation, and award of the Master Agreement will be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award will be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement will be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's state.
- 14.12.2** Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the state serving as Lead State. Venue for any claim, dispute or action concerning the terms of the Master Agreement will be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum will be in the Purchasing Entity's state.
- 14.12.3** If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

**14.13 Assignment of Antitrust Rights.** Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

**14.14 Survivability.** Unless otherwise explicitly set forth in a Participating Addendum or Order, the terms of this Master Agreement as they apply to the Contractor, Participating Entities, and Purchasing Entities, including but not

limited to pricing and the reporting of sales and payment of administrative fees to NASPO ValuePoint, shall survive expiration of this Master Agreement and shall continue to apply to all Participating Addenda and Orders until the expiration thereof.

**14.15 Discrimination.** Discrimination (because of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability) is prohibited. This section applies only to contracts utilizing federal funds, in whole or in part. During the performance of this contract, the contractor agrees as follows:

**14.15.1** The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, sexual orientation, gender identity, or age. The contractor further agrees to comply with the provisions of the Americans with Disabilities Act (ADA), Public Law 101-336, and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified disabled individuals under any program or activity. The contractor agrees to provide, upon request, needed reasonable accommodations. The contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability. 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 compensations; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

**14.15.2** 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, religion, color, national origin, sex, sexual orientation, gender identity, age or disability.

**14.15.3** The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative 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. 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.

- 14.15.4** The contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965 as amended, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 14.15.5** The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his 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.
- 14.15.6** In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations or orders, this contract may be cancelled, 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 No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in or as otherwise provided by law.
- 14.15.7** The contractor will include the provisions of paragraphs (1) through (7) of section 202 of Executive Order 11246 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 No. 11246 of September 24, 1965, 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 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 agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

**14.16 Accessibility.** Vendor hereby warrants that the products or services to be provided under this contract comply with the accessibility requirements of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1194. Vendor further warrants that the products or services to be provided under this contract comply with existing federal standards established under Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255), and its implementing regulations set forth at Title 36, Code of Federal Regulations, part 1193, to the extent the vendor's products or services may be covered by that act. Vendor agrees to promptly respond to and resolve any complaint regarding accessibility of its products or services which is brought to its attention.

## **XV. Protest**

Pursuant to KRS 45A.285, the Secretary of the Finance and Administration Cabinet, or his designee, shall have authority to determine protests and other controversies of actual or prospective offerors in connection with the solicitations or selection for award of a contract.

Any actual or prospective offeror or contractor, who is aggrieved in connection with solicitation or selection for award of a contract, may file a protest with the Secretary of the Finance and Administration Cabinet. A protest or notice of other controversy must be filed promptly and in any event within two (2) calendar weeks after such aggrieved person knows or should have known of the facts giving rise thereto. All protests or notices of other controversies must be in writing and shall be addressed and mailed to:

**Holly M. Johnson, Secretary  
COMMONWEALTH OF KENTUCKY  
FINANCE AND ADMINISTRATION CABINET  
200 MERO STREET, 5TH FLOOR  
FRANKFORT, KY 40622**

The Secretary of Finance and Administration Cabinet shall promptly issue a decision in writing. A copy of that decision shall be mailed or otherwise furnished to the aggrieved party and shall state the reasons for the action taken.

The decision by the Secretary of the Finance and Administration Cabinet shall be final and conclusive.

## Exhibit 1

### Description of Goods and/or Services, Prices, and Discount Percentages

#### SERVICES AND GOODS AVAILABLE UNDER THIS MASTER AGREEMENT

Contractor has been awarded all products and services in the awarded categories below.

| Category                                                             | Minimum Discount Percentage |
|----------------------------------------------------------------------|-----------------------------|
| 1. Janitorial Supplies, Equipment, and Sanitation Cleaning Chemicals | 45%                         |
| 2. Fasteners                                                         | 60%                         |
| 3. Material Handling                                                 | 35%                         |
| 4. Plumbing Equipment                                                | 45%                         |
| 5. Power Sources                                                     | 40%                         |
| 6. Landscaping and Outdoor Supplies and Equipment                    | 35%                         |
| 7. Lamps, Lighting, Ballasts, and Equipment                          | 40%                         |
| 8. Heating, Ventilation, Air Conditioning (HVAC)                     | 35%                         |
| 9. Hand Tools                                                        | 40%                         |
| 10. Power Tools                                                      | 30%                         |
| 11. Electrical Supplies and Equipment                                | 45%                         |
| 12. Paint and Related Supplies                                       | 40%                         |
| 13. Security                                                         | 40%                         |
| 14. Safety                                                           | 40%                         |
| 15. Other                                                            | 28%                         |

Products and Services are available to Authorized Purchasers.

Addition or Deletion of Items or Services. The Lead State reserves the right to add new and similar items, by issuing a contract modification, to this contract with the consent of the Contractor. Until such time as the Contractor receives a modification, the Contractor shall not accept delivery orders from any Participating Entity referencing such items or services.

#### **Return Policy:**

Product can be returned for up to one (1) year from date of invoice if product is in its original packaging, unused, unexpired, undamaged, and in resalable condition, except as noted below.

Proof of Purchase is required in all instances. Fastenal's motto is Growth Through Customer Service, and in practice the final decision on returns that do not meet our

stated policy is up to the local servicing branch.

Fastenal allows returns for any reason up to 30 days from date of invoice unless otherwise noted. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, must be in resalable condition and be accompanied with proof of purchase.

Products sold on a "Final Sale" basis as defined below cannot be returned. "Sourced Product" (defined below) is subject to the manufacturer's return policy and may not be returnable. Some product returns may be denied or made subject to restocking fees and other charges by Fastenal.

**FINAL SALE ITEMS.** Items sold on a "Final Sale" basis include: (i) custom or sourced items; (ii) special-order items; (iii) emergency response items; (iv) items marked in quotations or invoices as "Non-Cancellable" or "Non-Returnable"; and (v) any other items that Fastenal may designate as a "Final Sale" from time to time.

**STATE OF EMERGENCY:** During a State of Emergency (such as a hurricane), some items may be noncancelable, non-refundable, and non-returnable. Purchasing Entities will be notified of these non-returnable items at the time of purchase.

**SOURCED ITEMS.** Sourced items as defined (Sourced product are products which are not currently listed in Fastenal's contract catalog or on-line ordering system but are able to be supplied by Fastenal. Fastenal's sourcing model is a service that we offer to customers to source products. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution. Fastenal's sourced products are a direct line extension of the product offering consisting of thousands of vendors with whom we have developed a publicly recognized business relationship around promoting and developing the brands representative of the vendor. Price quotes and freight for these sourced products are based on current market conditions and are negotiated locally on a per-order basis and approved by the Participating Entity) which are ordered and delivered to the Purchasing Entity may be non-returnable and non-refundable. Sourced Items that have been ordered by the Purchasing Entity and are non-cancelable by the manufacturer, Purchasing Entity must accept and pay for the delivered quantities, excluding non-conforming items.

## **Exhibit 2**

### **Environmentally Preferred Products**

#### **1.1 Description of Goods and/or Services, Prices and Discount Percentages or Environmentally Preferred Products (if applicable).**

#### **1.2 Terms and Conditions for Environmentally Preferred**

##### **Products Accurate Labeling of Environmentally**

##### **Preferable Products (EPPs)**

Offeror must certify in writing that all claims made about the environmental attributes of the products they are offering are consistent with the Federal Trade Commission's (FTC's) *Guidelines for the Use of Environmental Marketing Terms*. In addition, Offerors may be required to provide documentation, at the request of the Purchasing Entity that the products they are offering meet the Environmental Specifications for this contract.

Over the life of the Master Agreement if awarded, the Offeror must label the environmental attributes of all environmentally preferable products (EPPs) per the Environmental Specifications below in any catalogs, marketing materials, price lists, and online ordering portal associated with this contract. Upon request of the Purchasing Entity, the Offeror if awarded, must provide documentation that each EPP has the required third-party certification(s), minimum amount of recycled content, or other environmental attributes listed in the Environmental Specifications.

The Purchasing Entity reserves the right to require the Offeror if awarded, to remove any environmental claims that are false, vague, misleading or unsubstantiated in catalogs, price sheets, websites or other marketing materials that are provided to the Purchasing Entity under a Master Agreement or Participating Addendum, if awarded.

#### **1.2.2 EPP Sales Reports**

The Purchasing Entity reserves the right to request from the Vendor quarterly sales data over the life of this contract. This information must include details about the environmental attributes of the EPPs sold on this contract consistent with the Environmental Specifications. To facilitate consistent reporting on this contract, the Vendor may be required to submit its sales report using the Purchasing Entity's Green Sales Report Template.

**Training.** Over the life of the contract, the Vendor at a minimum must offer educational/marketing materials and at least one training that can be accessed by contract users explaining its EPP labeling and reporting practices.

**Enforcement.** The Purchasing Entity may consider failure to comply with the Environmental Specifications for this contract as well as the EPP labeling, reporting, and training requirements described above to be grounds for termination of this contract.

### Exhibit 3

## NASPO ValuePoint Detailed Sales Data Report Form

| Field Name                    | Field Description                                                                                                                                                                   |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| VENDOR                        | The awarded Contractor's name                                                                                                                                                       |
| VENDOR CONTRACT NUMBER        | Lead State assigned contract number (using Lead State's numbering protocol)                                                                                                         |
| STATE                         | State postal abbreviation code (Alaska = AK, Missouri = MO, etc.)                                                                                                                   |
| CUSTOMER TYPE (SEGMENT)       | State Gov't, Education-K12, Education-HED, Local Gov't, Medical, Other - are acceptable segments. [determined by industrial practice for each contract - uniform for each contract] |
| BILL TO NAME                  | Customer (agency) Bill to name                                                                                                                                                      |
| BILL TO ADDRESS               | Customer (agency) Bill to address                                                                                                                                                   |
| BILL TO CITY                  | Customer (agency) Bill to city                                                                                                                                                      |
| BILL TO ZIPCODE               | Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]                                                                                          |
| SHIP TO NAME                  | Customer (agency) Ship to name                                                                                                                                                      |
| SHIP TO ADDRESS               | Customer (agency) Ship to address                                                                                                                                                   |
| SHIP TO CITY                  | Customer (agency) Ship to city                                                                                                                                                      |
| SHIP TO ZIPCODE               | Zip code in standard 5-4 format [standard 5 digits is acceptable, formatted as a zip code]                                                                                          |
| ORDER NUMBER                  | Vendor assigned order number                                                                                                                                                        |
| CUSTOMER PO NUMBER            | Customer provided Purchase Order Number                                                                                                                                             |
| CUSTOMER NUMBER               | Vendor assigned account number for the purchasing entity                                                                                                                            |
| ORDER TYPE                    | Sales order, Credit/Return, Upgrade/Downgrade, etc. [determined by industrial practice for each contract - uniform for each contract]                                               |
| PO DATE (ORDER DATE)          | (mm/dd/ccyy)                                                                                                                                                                        |
| SHIP DATE                     | (mm/dd/ccyy)                                                                                                                                                                        |
| INVOICE DATE                  | (mm/dd/ccyy)                                                                                                                                                                        |
| INVOICE NUMBER                | Vendor assigned Invoice Number                                                                                                                                                      |
| PRODUCT NUMBER                | Product number of purchased product                                                                                                                                                 |
| PRODUCT DESCRIPTION           | Product description of purchased product                                                                                                                                            |
| UNSPSC                        | Commodity-level code based on UNSPSC code rules (8 Digits)                                                                                                                          |
| CATEGORY                      | Product Category                                                                                                                                                                    |
| LIST PRICE/MSRP/CATALOG PRICE | List Price - US Currency (\$99999.999) [determined by industrial practice for each contract - uniform for each contract]                                                            |
| QUANTITY                      | Quantity Invoiced (99999.999)                                                                                                                                                       |
| TOTAL PRICE                   | Extended Price (unit price multiplied by the quantity invoiced) - US Currency (\$999999999.99)                                                                                      |
| VAR/Reseller/Distributor      | If a VAR/Reseller/Distributor, name of VAR/Reseller/Distributor and state where located                                                                                             |
| Energy Star Compliant         | Yes = 1 No = 2 Energy Star Does not Apply = 0                                                                                                                                       |
| Optional                      | More information                                                                                                                                                                    |

[illegible]