Participating Addendum Number NVP_187646
for
Multi-Function Devices and Related Software, Services and Cloud Solutions
between
State of Montana
and
Canon U.S.A., Inc.

This Participating Addendum is entered into by State of Montana ("State," "Participating Entity") and the following Contractor (each a "Party" and collectively the "Parties") for the purpose of participating in NASPO ValuePoint Master Agreement Number 187646, executed by Contractor and the State of Colorado ("Lead State") for Multi-Function Devices and Related Software, Services and Cloud Solutions ("Master Agreement"):

Canon U.S.A., Inc. ("Contractor")
1 Canon Park
Melville, NY, 11747

I. **PARTICIPATING ADDENDUM CONTACTS.**

Contractor's contact for this Participating Addendum is:

Samantha Owens
sowens@cusa.canon.com
631-330-2754

Participating Entity's contact for this Participating Addendum is:

Grace Waring
Contracts Officer
cooppurchasing@mt.gov
406-444-2516

II. **TERM.** This Participating Addendum is effective as of the date of the last signature below, and will terminate upon termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.

III. **PARTICIPATION AND USAGE.** This Participating Addendum may be used by all state agencies, institutions of higher education, cities, counties, districts, and other political subdivisions of the state, and nonprofit organizations within the state if authorized herein and by law. Participating Entity has sole authority to determine which entities are eligible to use this Participating Addendum. If Contractor becomes aware that an entity's use of this Participating Addendum is not authorized, Contractor will notify NASPO ValuePoint to initiate outreach to the appropriate parties.

IV. **GOVERNING LAW.** The construction and effect of this Participating Addendum and any Orders placed hereunder will be governed by, and construed in accordance with, Participating Entity's laws.

V. **SCOPE.** Except as otherwise stated herein, this Participating Addendum incorporates the scope, pricing, terms, and conditions of the Master Agreement and the rights and obligations set forth therein as applied to Contractor and Participating Entity and Purchasing Entities.

a. **Products and Services. The following Products and Services are included in this contract portfolio:**

i. **PRIMARY PRODUCTS AND SERVICES:**
Group A - Multi-Function Devices, A3
Group B - Multi-Function Devices, A4
Group C - Production Equipment
Group D - Single Function Printers
Group E - Large/Wide Format Equipment
Group F - Scanners
Group G - Software
Group H - Consumable Supplies

Group I - Managed Print Services

ii. **ANCILLARY PRODUCTS AND SERVICES:**
Sub-Group C1 - Stand Alone Production Devices
Sub-Group C2 - Industrial Print Equipment
Sub-Group D1 - Specialty Printers
Sub-Group G1 - Software Related Services

b. **Contractor Partners**. All subcontractors, dealers, distributors, resellers, and other partners identified on Contractor's Dealer List, posted to the NASPO ValuePoint webpage are authorized to provide Products and Services to Participating Entities under this Participating Addendum in accordance with the terms and conditions set forth in the Master Agreement and in this Participating Addendum.

Any amendment to the Master Agreement shall be deemed incorporated into this Participating Addendum unless the amendment is rejected by Participating Entity in writing to Contractor within ten (10) calendar days of the amendment's effective date and is documented thereafter via written amendment hereto.

Any conflict between this Participating Addendum and the Master Agreement will be resolved in favor of the Participating Addendum. The terms of this Participating Addendum, including those modifying or adding to the terms of the Master Agreement, apply only to the Parties and shall have no effect on Contractor's participating addenda with other participating entities or Contractor's Master Agreement with the Lead State.

VI. Lease and Rental Agreements:

Lease and Rental Terms: Equipment leases and rentals are subject to the Terms and Conditions as set forth in the Master Agreement and Contractor's applicable Supplemental Documents, which are attached to the Master Agreement, unless otherwise agreed to by a Participating State or Entity. To initiate a lease or rental, Purchasing Entity may issue a Purchase Order ("PO") and reference the type of lease or rental (FMV Lease, Straight Lease, Capital Lease, Short-Term Rental or Cancellable Rental) on the PO or may simply sign other transactional documents deemed acceptable to the parties, providing Contractor does not provide the Purchasing Entity with any documents (besides EULA's) that have not been approved by the Lead State.

Assignment: Contractor may assign, solely for financing purposes, upon written notification to State, their right title and interest in and to: (i) the Products subject to the Lease Agreement; (ii) all payments and other amounts due and to become due thereunder with respect to the Products; and (iii) all rights and remedies under this Participating Addendum with respect to the Products, such payments and other amounts due. Any such assignment however, does not excuse Contractor from fulfilling their obligations outlined in the terms and conditions of either the NASPO ValuePoint Master Agreement #187646 or the Participating Addendum. Contractor intends to assign, solely for financing purposes, rights as set forth immediately above and this paragraph constitutes the required written notification to State.

All lease and rental programs must remain with the Contractor's leasing partner, Authorized Dealers through an in-house leasing program, or through a third-party financial institution of Purchasing Entity's choice, throughout the term of the agreement.

End of Term Notification: Contractor must notify a Purchasing Entity, in writing, of their End of Term options at least sixty (60) to ninety (90) days prior to the end of any Initial Lease or Rental Term. Such notification may include, but not be limited to, the following:

i. Any acquisition or return options, based on the type of lease or rental agreement;

ii. Any renewal options, if applicable; and/or

iii. Hard drive removal and surrender cost, if applicable.

End of Term Options: If a Purchasing Entity desires to exercise a purchase, renewal, or return of the Equipment, it shall give Contractor at least thirty (30) days written notice prior to the expiration of such lease or rental term. Notwithstanding anything to the contrary, if Purchasing Entity fails to notify Contractor of its intent with respect to the exercise of a purchase, renewal, or return of the Equipment, the Initial Lease or Rental Term shall be terminated on the date as stated in the Order and removal of the Product will be mutually arranged.

VIII. Product Installation & Invoicing: Unless otherwise agreed to by both parties, signing the delivery and acceptance ("D&A") certificate constitutes Acceptance of the Device(s) and allows Contractor to invoice for the Device(s). Failure to sign the D&A or reject the Device(s) within the foregoing five (5) day period shall be deemed as Acceptance by the Purchasing Entity.

Contractor will provide timely billing and Purchasing Entity will notify Contractor, in writing, of any billing concern. In order for Contractor to generate accurate service invoices, Purchasing Entities shall provide meter reads within the Contractor(s) requested timeframe.

Invoices that are generated without receiving the proper meter read information from the Purchasing Entity will not be considered inaccurate.

The Purchasing Entity shall provide written notice of any alleged invoicing issue(s) and the Contractor will be allowed a thirty (30) day cure period to address any such issue. Failure on the Contractors part to maintain accurate invoicing shall result in a $25.00 per instance credit on the following month's invoice.

IX. Not Specifically Priced ("NSP") Open Market Items: Not Specifically Priced (NSP) items compliment or enhance the Products and/or Services offered under the resulting Master Agreement, and may be purchased as a stand-alone option. NSP items will not include:

i) Interactive White boards;
ii) Computers, monitors, or other related items;
iii) Fax machines;
iv) Overhead Projectors; and
v) Cameras.

NSP items may only be acquired through the Contractor or their Authorized Dealers and must be reported quarterly with all other sales under the resulting Master Agreement. NSP items must be priced at a minimum discount of 15% from MSRP or List Price. The maximum allowable amount of all NSP items in a single Order shall be determined by the Participating State or Entity.

X. Showroom Equipment: Upon request by a Purchasing Entity, showroom Equipment for Groups A and B may be converted to a purchase, lease, or rental providing the following conditions are met:

a. The meter count on Group A and Group B Devices does not exceed 10,000 copies total (i.e. b&w and color combined);
b. The Device must be discounted by at least 5% off the Master Agreement pricing for that same Device; and
c. The Purchasing Entity and the Contractor must indicate on the Order that the Device is a showroom model.

XI. Software: Purchasing Entities that acquire software shall be subject to the license agreements distributed with such software. Software subscriptions shall not be subject to automatic renewals, unless otherwise agreed to in an Order. Purchasing Entities shall have the option to finance software subscriptions by utilizing Contractor lease and rental rates. Notwithstanding the foregoing, in the event of a conflict in language between an end user license agreement (EULA) and the Master Agreement, the language in the Master Agreement will supersede and control, unless otherwise agreed to by a Participating State or Entity. In addition, any language in a EULA which violates a Participating State's constitution or a statute of that state; or violates the laws of a local entity making a purchase, will be deemed void, and of no force or effect.

XII. Maintenance Service Level Agreements: Purchasing Entities are subject to the Contractor's Standard Service Levels as outlined in the Master Agreement, Contractor's Supplemental Documents, or as otherwise negotiated by the Participating State or Entity.

XIII. Managed Print Services ("MPS") Level Agreement: Purchasing Entities are subject to the Contractor's "Sample MPS Statement of Work" provided in Master Agreement as **Attachment 3**, or a similar format approved by both parties. Contractor may not provide MPS maintenance or repair Services on any Devices that are being leased or rented to a Purchasing Entity by another Manufacturer, unless they have a written agreement with the Manufacturer to do so. All MPS engagements shall require the Contractor and Purchasing Entity to complete a detailed statement of work, which must be approved by both parties prior to the initiation of any engagement.

XIV. ATTACHMENTS/ORDER OF PRECEDENCE. This AGREEMENT includes the following attachments:

a. Participating Entity's Participating Addendum;
b. State's Terms and Conditions (Attachment A);
c. State Information Technology Terms and Conditions (Attachment B);
d. State's Federal Terms and Conditions (Attachment C)
e. Contractor's Authorized Dealer List (Attachment D);and
f. The NASPO ValuePoint Master Agreement Number 187646, any Amendments and Attachments.

These documents shall be read to be consistent and complementary. Any conflict among these documents shall be resolved by giving priority to these documents in the Order listed above. Except for the terms included in the Attachment and Exhibits hereto, no other terms and conditions shall apply, including terms listed or referenced on the Contractor's website, in the Contractor's quotations or in similar documents subsequently provided by the Contractor, unless otherwise agreed by the Parties. Participating Entity's Participating Addendum and Attachments shall not diminish, change, or impact the rights of the Lead State with regard to the Lead State's contractual relationship with Contractor under the terms of the Master Agreement.

XV. SUBMISSION OF PARTICIPATING ADDENDUM TO NASPO VALUEPOINT. Upon execution, Contractor shall promptly email a copy of this Participating Addendum and any amendments hereto to NASPO ValuePoint at pa@naspovaluepoint.org. The Parties acknowledge and agree that the Participating Addendum, as amended, may be published on the NASPO ValuePoint website.

(Remainder of page intentionally left blank.)

SIGNATURE

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

IN WITNESS WHEREOF, the Parties have executed this Participating Addendum.

PARTICIPATING ENTITY:		**CONTRACTOR:**	
Signed by: John Thomas 49E3FFF749664B6...	2/7/2025	DocuSigned by: Mason Olds 4B616C4FF5E14C3...	2/7/2025
Signature	**Date**	**Signature**	**Date**
John Thomas		Mason Olds	
Printed Name		**Printed Name**	
Chief Procurement Officer		SVP	
Title		**Title**	

Signed by: Katy Brandis 3C947270DF6E49A... 2/3/2025

Signature **Date**
Legal Counsel

Signed by: Grace Waring 2F503820F2764C1... 2/3/2025

Signature **Date**
Procurement Officer

DocuSigned by: Kevin Gilbertson 2D9081032F40415... 2/5/2025

Signature **Date**
Chief Information Officer

Chief Information Officer Approval:
Contractor is notified that, under the provisions of 2-17-514, MCA, the Department of Administration retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Agency's Plan for Information Technology, the State Strategic Plan for Information Technology, or any statewide IT policy or standard.

Attachment A:
State's Modifications and Additions to Master Agreement 187646 Terms and Conditions

The following terms and conditions govern during the term of the Participating Addendum (PA).

1. PAYMENT TERM

All payment terms are computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. State is allowed 30 days to pay such invoices. All contractors are required to provide banking information at the time of PA execution in order to facilitate State electronic funds transfer payments.

Withholding of Payment. State may withhold disputed payments to Contractor under the subject Statement of Work (or where no Statement of Work exists, the applicable contract). The withholding may not be greater than, in the aggregate, fifteen percent (15%) of the total value of the subject Statement of Work, Purchase Order, or applicable contract. With respect to payments subject to milestone acceptance criteria, State may withhold payment only for such specific milestone if and until the subject milestone criteria are met. Contractor is not relieved of its performance obligation if such payment(s) is withheld.

2. U.S. FUNDS

All prices and payments must be in U.S. dollars.

3. REFERENCE TO PA

The Purchase Order number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the PA contract.

4. STATE OF MONTANA ADMINISTRATIVE FEE

The State of Montana assesses an Administrative Fee of one and one-half percent (1.50%) for all net sales (sales less credits and returns) made under this Contract. The prices paid to Contractor must include the 1.5% Administrative Fee. Contractor shall remit this Administrative Fee concurrent with the Required Usage Reporting described below. The Administrative Fee must be submitted by ACH along with email notification to State of Montana Contract Officer (CO). This Administrative Fee is effective upon execution of this PA.

5. REQUIRED REPORTING

Contractor shall submit quarterly reports to the CO assigned by State to manage this Contract. Contractor shall provide CO with an electronic usage report (Excel), which must list the following information at the minimum: purchasing entity; description of items purchased; date of purchase; contract price; and the extended price for each transaction. These reports are due no more than 30 days after the end of the quarter as follows:

First Quarter:	July 1 through September 30;
Second Quarter:	October 1 through December 31;
Third Quarter:	January 1 through March 31; and
Fourth Quarter:	April 1 through June 30.

6. TAXES

6.1. **Payment.** Contractor shall pay all property and sales taxes, if any.

6.2. **Exemption.** State of Montana is exempt from Federal Excise Taxes (#81-0302402), except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111- 148, 124 Stat. 119].

6.3. **Certificate.** All purchasers under this PA shall provide Contractor with a tax exemption certificate for all purchases.

7. SHIPPING AND DELIVERY

In addition to the Master Agreement Shipping and Delivery Section, Contractor shall:

- Prepare and distribute commercial bills of lading and Material Safety Data Sheets (MSDS) as appropriate; and
- Furnish a delivery schedule and designate the mode of delivery carrier.

8. INSURANCE

8.1 General Insurance Requirements

Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance protecting State, its elected and appointed officials, agents, and employees against claims for bodily injury, death, personal injury, property damage, and contractual liability, which may arise from or in connection with the negligence of Contractor, its employees, representatives, assigns, or subcontractors. This insurance must include coverage of claims that may be caused by negligent act or omission.

8.2 Primary Insurance

All insurance maintained by Contractor, or any subcontractor as required by this Contract will be primary insurance for Contractor's negligence for State its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers will be in excess of Contractor's insurance and will not contribute with it.

8.3 Certificate of Insurance/Endorsements

A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. The certificates must name the State of Montana as certificate holder, and Contractor shall provide copies of blanket additional insured endorsements required by Contractor's commercial general liability and automobile liability policies. Contractor must notify State immediately of any material change in insurance coverage that would prevent Contractor from maintaining the requirements set forth within, such as changes in limits, coverages, or changes in status of policy.

(1) Contractor shall provide a certificate of insurance that indicates the required coverage limits are met, as well as an insurance carrier-issued endorsement, including the State of Montana as additional insured; or

(2) Contractor shall make available to a representative of State a complete copy of the Commercial General Liability insurance policy required under this Section at any time in the course of a dispute with its insurance carrier as to whether State is entitled to coverage under such policy. Such policy copy that is made available shall be reviewed by State's representative and no copies shall be retained following the review. Upon the receipt of said request hereunder, Contractor may delay such review for up to ninety (90) days after such receipt in order to facilitate the resolution of such dispute with its insurance carrier to State's satisfaction. The foregoing shall not affect a party's rights under law or court order with respect to the disclosure of such policy during the course of litigation.

8.4 Commercial General Liability

Contractor shall maintain existing coverage that is at least as broad as Insurance Services Form CG 00 01 covering commercial general liability on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits of at least $2,000,000 per occurrence and $2,000,000 in the aggregate per year to cover such claims as may be caused by act, omission, or negligence of Contractor or its employees, officers, officials, agents, representatives, assigns, or subcontractors.

Contractor grants to State a waiver of any right to subrogation that any insurer of Contractor may acquire against State by virtue of the payment of any loss under insurance. Contractor shall maintain existing endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether State has received a waiver of subrogation endorsement from Contractor's insurer.

State, its employees, officers, officials, agents, and volunteers are to be covered and included as additional insureds for liability arising out of services performed by or on behalf of Contractor, including materials, parts, or equipment furnished in connection with such services. Such requirement may be met with production of a blanket ISO Standard CG 20 10, 20 33, 20-37, and 20 38 (or equivalent) endorsements.

8.5 Compliance With Workers' Compensation Act

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

8.7 Cyber/Data Information Security Insurance

Contractor shall maintain Computer/Network Security & Privacy Liability (aka cyber) with a limit of USD $6,000,000 in aggregate providing coverage where permissible by law for Contractor's errors, omissions, negligence or damages in rendering or failing to render computer or information technology services and technology products and/or from: (a) data theft and/or loss of confidential information; (b) unauthorized dissemination and/or unauthorized disclosure and/or unauthorized access or use of nonpublic personally identifiable information, confidential non-public corporate information; (c) credit monitoring, notification expenses, and other related costs associated with mitigating a data security or privacy breach; (d) the failure to prevent the introduction of a computer virus into, or otherwise causing damage to State's computer, computer system, network or similar computer-related property and the electronic data used thereon; and (e) denial of service arising from Contractor's performance of services under this Contact. The retroactive date must be before the date of this Contract or the beginning of Contract work and coverage will be maintained for a period of three years following termination or expiration of this Contract, whichever is later, or State may purchase an extended coverage period if commercially available.

9. RECORD ACCESS AND RETENTION

9.1. **Access to Records.** Contractor shall provide State, the Montana legislative auditor, or its authorized agents access to any records necessary to audit for Contract compliance. State may terminate this Agreement, without incurring liability, for Contractor's refusal to allow access as required by this Section. (18-1-118, MCA.)

9.2. **Retention Period.** Contractor shall retain all records related to this Contract for 8 years following the termination or expiration of this Contract.

10. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

Contractor shall not assign, transfer or subcontract any portion of this Contract without the express written consent of State, and State shall not unreasonably withhold consent. (Section 18-4-141, MCA.)

11. WARRANTIES

11.1. **Warranty of Products**

Contractor warrants that the products supplied conform to the specifications requested, are fit and sufficient for the purpose manufactured, are of good material and workmanship, and are free from defect for a period of 90 days from the date of shipment. The length of warranty may vary by product. Contractor further warrants that the products are new and unused and of the latest model or manufacture.

11.2. **Warranty of Title**

Contractor warrants all Goods are free and clear of any liens or encumbrances, Contractor has full legal title to the Goods, and that no other person or entity has any right, title, or interest in the Goods which the rights granted to the Participating Entity.

11.3. **Warranty on Safety and Health Requirements**

Contractor warrants that all Goods comply with all applicable health and safety standards, including Occupational Safety and Health Administration (OSHA) health and safety standards.

11.4. **Manufacturer Warranties**

Contractor shall transfer all manufacturer warranties covering the Goods, if any, transferred to the Participating Entity at time of delivery at no charge.

11.5. **Warranties Cumulative**

The warranties in this Section are in addition to any other warranties provided in this Contract, including the Master Agreement Section X - Warranty. All warranties are cumulative and are intended to afford the Participating Entity the broadest warranty protection available.

11.6 **Exclusive Warranty**

THESE WARRANTIES ARE STATE'S EXCLUSIVE WARRANTIES AND REPLACE ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

12. PUBLIC INFORMATION

A. This Contract and all related documents are subject to disclosure pursuant to Montana public information laws.

B. Under Montana public information laws, this Contract, referenced documents, including pricing documents, are all deemed public information.

13. DEFENSE, INDEMNIFICATION / HOLD HARMLESS

13.1. **Indemnities by Contractor**

In addition to the Master Agreement Indemnification section, Contractor agrees, at its sole cost and expense, to defend, indemnify and hold harmless the State of Montana, the contracting agency, or their officers, officials, directors, agents, employees, volunteers, contractors, successors, assignees, or designees from any and all liability, actions, claims, demands, causes of actions, judgments, suits, settlements, penalties, or fines, and all related costs, court costs, attorney fees, expert fees, and other expenses, arising out of, resulting from, or related to:

A. Any negligent acts or omissions or breach of contract by Contractor, its employees, sub-contractors, assignees, or third-party providers in or in connection with the execution or performance of the Contract and any Purchase Order issued under the Contract, except for when the sole negligence is that of State.

B. Any and all third-party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in or in connection with Contractor's goods ("Goods") supplied under any Purchase Orders issued under the Contract, except to the extent a claim arises from (a) customers' use of the Goods in combination with devices or software without the written consent of Contractor, or (b) any modification of the Goods made by customers without the written consent of Contractor.

C. Tax liability, unemployment insurance, workers' compensation, or expectations of benefits by Contractor, its employees, representatives, agents, or subcontractors in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract.

13.2. Coordination of Defense

State shall give Contractor prompt notice of any Claim, and at Contractor's expense, State shall cooperate in the defense of the Claim. Contractor acknowledges that under Montana law, the Montana Attorney General may participate in an action involving State.

13.3. State Reimbursement

If Contractor fails to make reasonable efforts to comply with its defense obligations under this Section, State may undertake its own defense. If State undertakes its own defense, Contractor shall reimburse State for all reasonable costs to State resulting from: (1) settlements, judgments, losses, damages, liabilities, and penalties, fines; and (2) defense of the Claim, including but not limited to attorney fees, court costs, and the costs of investigation, discovery, and experts.

14. LIMITATION OF LIABILITY

A. Contractor's liability for contract damages is limited to direct damages and further to no more than $3,000,000 or three times the total Contract value, whichever is higher. Contractor shall not be liable for special incidental, consequential, punitive damages.

B. Any limitation of the Contractor's liability shall not apply to:

1) liability for damage or loss caused by injury to persons or tangible property;
2) amounts due or obligations under a clause imposing a duty to defend or indemnify;

3) related to intentional conduct or gross negligence of the Contractor;
4) violation of intellectual property rights but not limited to patent, trademark, or copyright infringement;
5) any loss or claim to the extent the loss or claim is covered by a policy maintained by Contractor or required by this Contract to be maintained by Contractor;
6) violation of state or federal law; or
7) matters for which liability cannot be exclude or limited under applicable law.

C. No other limitation of liability shall apply to this Contract; provided however, that IN NO EVENT SHALL CONTRACTOR, ITS AUTHORIZED DEALERS, OR THE STATE OF MONTANA BE LIABLE FOR ANY SPECIAL, INCIDENTIAL, OR INDIRECT DAMAGES.

15. COMPLIANCE WITH LAWS

In performing its duties in this Contract, Contractor shall comply with all applicable federal, state, or local laws, rules, ordinances, policies, and executive orders.

Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

In accordance with 49-3-207, MCA, and Executive Order No. 04-2016, Contractor agrees that:

A. the hiring of persons to fulfill Contractor's duties in this Contract will be made based on merit and qualifications; and

B. there will be no discrimination based on race, color, sex, pregnancy, childbirth, or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

Any subcontracting by Contractor obligates subcontractors to the above.

15.1. Nondiscrimination Against Firearms Entities/Trade Associations

Contractor shall not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and Contractor shall not discriminate during the term of the contract against a firearm entity or firearm trade association. This Section shall be construed in accordance with 30-20-301, MCA.

16. CONTRACT TERMINATION

16.1. Termination for Convenience

Contractor agrees to the same terms set forth in the MA Termination section.

16.2. Termination for Cause with Notice to Cure Requirement

Either party may terminate this Contract for the other's failure to perform any of its duties under this Contract after giving written notice of the failure to the other. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

16.3. Reduction of Funding

State must, by law, terminate this Contract if funds are not appropriated or otherwise made available to support State's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA.) If state or federal government funds are not appropriated or otherwise made available through State's budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, State shall terminate this Contract as required by law. State shall provide Contractor the date State's termination shall take effect. State shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this Section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16.4. Terrorism, Suspension or Debarment, or Otherwise Ineligible

State has the absolute right to terminate the Contract without recourse in the following circumstances:

A. Contractor is listed on the prohibited vendors list authorized by Executive Order #13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control;

B. Contractor is suspended or debarred from doing business with the federal government as listed in the System for Award Management maintained by the General Services Administration; or

C. Contractor is found to be ineligible to hold the Contract under the laws of State.

17. EVENT OF BREACH – REMEDIES

17.1. Event of Breach by Contractor

In addition to the Master Agreement Defaults and Remedies Section, Contractor agrees any one or more of the following Contractor acts or omissions constitute an event of material breach under this Contract:

- Products or services furnished fail to materially conform to any requirement;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching Section 21.1, Technical or Contractual Problems, obligations; or
- Voluntary or involuntary bankruptcy or receivership.

17.2. Event of Breach by State

State's failure to perform any material terms or conditions of this Contract constitutes an event of breach.

17.3. Actions in Event of Breach

A. Upon Contractor's material breach, State may:

- Terminate this Contract under Section 16.1, Termination for Convenience and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and pursue any of its remedies under this Contract, at law, or in equity.

B. Upon State's material breach, Contractor may:

- Terminate this Contract under Section 16.2, Termination for Cause with Notice to Cure, and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

18. WAIVER OF BREACH (RESERVED.)

19. FORCE MAJEURE

The Master Agreement, Section XIV. General Provisions, Subsection 14.7 Force Majeure is incorporated herein.

20. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the Contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

21. MEETINGS

21.1. Technical or Contractual Problems.

Contractor, including its Authorized Dealers as set forth in Attachment D, shall meet with State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Contractor and State in the performance of their respective obligations, at no additional cost to State. State may request the meetings as problems arise and will be coordinated by State. State shall provide Contractor a minimum of five full working days' notice of meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the Contract.

21.2. Progress Meetings

During the term of this Contract, State's Project Manager shall plan and schedule progress meetings with Contractor to discuss Contractor's and State's progress in the performance of their respective obligations. These progress meetings will include State's Project Manager, Contractor's Project Manager, and any other additional personnel involved in the performance of this Contract as required. At each meeting, Contractor shall provide State with a written status report that identifies any problem or circumstance encountered by Contractor, or of which Contractor gained knowledge during the period since the last such status report, which may prevent Contractor from completing any of its obligations or may generate charges in excess of those previously agreed to by the parties. This may include the failure or inadequacy of State to perform its obligation under this Contract. Contractor shall identify the amount of excess charges, if any, and the cause of any identified problem or circumstance and the steps taken to remedy the same.

21.3. Failure to Notify

If Contractor fails to specify in writing any problem or circumstance that materially affects the costs of its delivery of services or products, including a material breach by State, about which Contractor knew or reasonably should have known with respect to the period during the term covered by Contractor's status report, Contractor shall not be entitled to rely upon such problem or circumstance as a purported justification for an increase in the price for the agreed upon scope.

21.4. State's Failure or Delay

For a problem or circumstance identified in Contractor's status report in which Contractor claims was the result of State's failure or delay in discharging any State obligation, State shall review same and determine if such problem or circumstance was in fact the result of such failure or delay. If State agrees as to the cause of such problem or circumstance, then the parties shall extend any deadlines or due dates affected thereby and provide for any additional charges by Contractor. This is Contractor's sole remedy. If State does not agree as to the cause of such problem or circumstance, the parties shall each attempt to resolve the problem or circumstance in a manner satisfactory to both parties.

22. TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. State shall pay Contractor for any resources utilized in performing such transition assistance at the most current Contract rates. If State terminates a project or this Contract for cause, then State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages State may have sustained as a result of Contractor's breach.

23. CHOICE OF LAW AND VENUE

Montana law governs this Contract. The parties agree that any litigation concerning this this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees, except as provided in Section 13 Defense, Indemnification/Hold Harmless.

Nothing in these provisions shall be construed as a waiver of the soveriegnty or governmental immunity State enjoys, whether derived from the Eleventh Amendment to the United States Constitution or otherwise, or a waiver of any defenses to Proceedings or consent to jurisdiction based thereon.

24. AUTHORITY

This Contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

25. SEVERABILITY

A declaration by any court or any other binding legal source that any provision of the Contract is illegal, and void shall not affect the legality and enforceability of any other provision of the Contract, unless the provisions are mutually and materially dependent.

26. WAIVER

State's waiver of any Contractor obligation or responsibility in a specific situation is not a waiver in a future similar situation or is not a waiver of any other Contractor obligation or responsibility.

27. PUBLIC DISCLOSURE

Contractor may publicize the Contract term, scope and price without prior written approval. However, Contractor may not use the State seal, any State logo, or claim any State endorsement as to the Contract without prior written approval by State.

28. SURVIVAL (RESERVED.)

(*The remainder of this page is intentionally left blank)*

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

The services provided by the Contractor involve information technology resources.
(Check the box of the highest classification of public and non-public data owned by the State)

- ☐ Public Data – Level 1 mapped to Federal Information Processing Standards (FIPS) 199 LOW
- ☒ Non-public Data – Level 2 mapped to FIPS 199 MODERATE
- ☐ Non-public Data – Level 3 mapped to FIPS 199 HIGH
- ☐ No Data

These services are for:

- ☐ On premise system
- ☒ Cloud system ☒ SaaS ☐ PaaS ☐ IaaS
- ☐ Other: (describe)

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
√	√	√	**1. IT Oversight**	***CIO Oversight*** The Chief Information Officer (CIO) for the State of Montana, or designee, may perform oversight activities. Such activities may include the identification, analysis, resolution, and prevention of deficiencies that may occur while performing services. The CIO may require the issuance of a right to assurance or may issue a stop work order. ***CIO Approval*** Contractor is notified that, under the provisions of 2-17-514, MCA, the Department of Administration retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Agency's Plan for Information Technology, the State Strategic Plan for Information Technology, or any statewide IT policy or standard. ***Right to Assurance*** If State, in good faith, has reason to believe that Contractor does not intend to, is unable to, or has refused to perform or continue performing all material obligations under these Terms and Conditions, State may demand in writing that Contractor give a written assurance of intent to perform. Contractor's failure to provide written assurance within the number of days specified in the demand (in no event less than five business days) may, at State's option, be the basis for termination and pursuing the rights and remedies

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				available to State. ***Stop Work Order*** State may, at any time, by written order to Contractor require Contractor to stop any or all parts of the required work for the period of days indicated by State after the order is delivered to Contractor. The order must be specifically identified as a stop work order issued under these terms and conditions. Upon receipt of the order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. If a stop work order issued under these terms and conditions is canceled or the period of the order or any extension expires, Contractor shall resume work. The State Contract Manager shall make the necessary adjustment in the delivery schedule or price, or both, and the services shall be amended in writing accordingly.
√	√	√	**2. Data Classification**	The following definitions are used to classify State data. ***Level 1 Data Mapped to FIPS 199 LOW (Public Data)*** “Level 1 Data” means information available to the general public and eligible for public access. Data that is classified as State of Montana Level 1 would reside in information systems that are categorized as Low. ***Level 2 Data Mapped to FIPS 199 MODERATE (Non-Public Data)*** “Level 2 Data” means information that disclosure to third parties or the public is governed by specific laws that determine and protect confidentiality. Data that is classified as State of Montana Level 2 would reside in information systems that are categorized as medium. ***Level 3 Data Mapped to FIPS 199 HIGH (Non-public Data)*** “Level 3 Data” means information that, if divulged, could compromise or endanger citizens, employees, or safety assets of State. Data that is classified as State of Montana Level 3 would reside in information systems that are categorized as high.

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
	√	√	**3. Data Ownership**	***Data Ownership*** State owns all right, title and interest in its data that is related to the services provided. State data may also include data from a third-party. ***Data Access*** Contractor shall not access State of Montana user accounts, or State data, except: (i) in response to service or technical issues; (ii) as required by the express terms of services engagement document; or (iii) at State's written request.
	√	√	**4. Data Usage**	***Data Disclosure - Prohibition*** At no time will any information, belonging to or intended for State, be copied, disclosed, or retained by Contractor or any party related to Contractor for subsequent use in any transaction. ***Confidential Data - Usage*** Contractor will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data to the minimum degree necessary to accomplish the services. Protection of personally identifiable information privacy, and sensitive data shall be an integral part of the business activities of Contractor to ensure that there is no inappropriate or unauthorized use of State information at any time. ***Limitation on Usage to Purpose of Services*** Contractor may not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service. ***Data Safeguards*** Contractor shall safeguard the confidentiality, integrity, and availability of State information. ***Authorized Personnel*** Only duly authorized personnel will have access to State data and may be required to obtain security clearance from State. ***Subsequent Use*** Contractor shall not use any data for subsequent use that has not been expressly authorized by State.

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
		√	**5. Data Location**	***Data Location*** Contractor shall not store, process, or transfer any non-public State data outside of the United States, including for back-up and disaster recovery purposes.
√	√	√	**6. Remote Access**	***Remote Access*** Montana information technology resources cannot be accessed by contractors or sub-contractors located outside of the legal jurisdictional boundary of the United States (outside of the United States, its territories, embassies, or military installations).
		√	**7. Breach and Notification**	***Notification to State*** Contractor must notify the State of Montana Chief Information Security Officer immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State of Montana data. ***Notification to Person*** Contractor shall comply with 2-6-1503, MCA, including if the data is unencrypted, Contractor shall make reasonable efforts upon discovery or notification of a breach to notify any person whose personal information is reasonably believed to have been acquired by an unauthorized person. This notification may be delayed at the request of law enforcement. ***No Limitation of Liability for Contractor Negligence*** Contractor cannot limit its liability to relieve Contractor or its subcontractors from its own negligence, or to the extent that it creates an obligation on the part of State to indemnify or hold a Contractor harmless.
	√	√	**8. Termination and Suspension of Service**	***Suspension of services*** During any period of suspension, negotiation, or disputes, Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data. ***Termination of a portion or of the entire services provided*** In the event of termination of any services or Contract in entirety, Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data for a period of 90 days after the effective date of the termination. Within this 90-day timeframe, Contractor will continue to secure

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				and back up State data covered under the provided services. After such 90-day period, Contractor shall have no obligation to maintain or provide any State data. Thereafter, unless legally prohibited, Contractor shall dispose securely of all State data in its systems or otherwise in its possession or control, as specified herein. ***Post-Termination Assistance*** State shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Contract or Service Level Agreement.
		√	**9. Data Disposition**	State's data may be disposed at the termination of services using one of the following methods: ***1. State Removal with Contractor's Tools*** State may remove or destroy State's data using Contractor's tools. ***2. Contractor to Return State Data*** Contractor will account for and return all State data in all of its forms. The data shall be returned in a format acceptable to State. At no time shall any data or processes that either belong to or are intended for the use of State or its officers, agents, or employees, be copied, disclosed, or retained by Contractor. ***3. Contractor to Destroy State Data*** When required by State, Contractor shall destroy all requested data in all of its forms Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) SP 800-88 "Media Sanitization Guidelines." ***4. Certificate of Destruction*** In all cases, Contractor will certify that all State information processed during the performance of the services will be completely purged from all physical and electronic data storage with no output to be retained by Contractor at the time the work is completed, the Contract is terminated, or upon written request of State.
√	√	√	**10. Subcontract**	Contractor shall be responsible for ensuring its subcontractors' compliance with these terms and

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
			or	conditions.
	√	√	**11. Notification of Legal Requests**	***Notification of Requirement to Access State Data*** Contractor shall contact the State upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of State. ***Legal Request for State Data*** Regarding State of Montana data and processes, Contractor shall not respond to subpoenas, service of process, and other legal requests without first notifying State unless prohibited by law from providing such notice.
		√	**12. Data Encryption**	***In Transit and At Rest*** Contractor shall encrypt all data in transit, regardless of transit mechanism, and at rest. ***Encryption Standards*** Contractor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS 140-2 and subsequent security requirements guidelines. Contractor and State will negotiate mutually acceptable key location and key management details.
	√	√	**13. System Security**	***Contractor Responsibility*** Contractor shall ensure systems delivered are adequately secure. Adequate security is defined to require compliance with federal and State of Montana security requirements and to ensure freedom from those conditions that may impair State's use of its data and information technology or permit unauthorized access to State's data or information technology. ***State Security Policy, Framework, Standards, and Controls*** State has established security policy, framework, standards, and controls that align with the NIST Cybersecurity Framework. The latest revision of NIST SP 800-53 is used for control adherence evaluation established after developing a security categorization utilizing FIPS PUB 199. ***Managerial, Operational, and Technical Controls*** All computer systems receiving, processing, storing, or transmitting State data must meet the control

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				requirements for the associated security categorization within NIST SP 800-53 (latest revision). To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to State data. ***Independent Security Audits*** Contractor shall provide reasonable proof, through independent audit reports, that the system specified in delivering the services meets or exceeds federal and State security requirements to ensure adequate security and privacy, confidentiality, integrity, and availability of State's data and information technology. ***Annual Assurance*** Annual assurance statements shall be delivered to the Contract Manager. Annual assurance statements must contain a detailed accounting of the security controls implemented.
	√	√	**14. Security Standard Compliance Certificate**	***Security Certification*** Contractor shall meet, and provide proof of, one or more of the following Security Certifications. • StateRAMP – Authorized Product Certification • FedRAMP - Federal Risk and Authorization Management Program • ISO 27001:2013 • Or other industry recognized certification, as approved by State, only if Contractor cannot provide one of the above certifications.
	√	√	**15. Background Check**	***State-Approved Criminal Background Checks*** Contractor warrants that they will only assign employees and subcontractors who have passed an internal criminal background check, the results of which will be communicated with the State. State may request additional State-approved or current criminal background checks for those with Level 2 and higher access to State data..
√	√	√	**16. Security Awareness**	***Security Training*** Contractor shall demonstrate that: Contractor's officers, employees, agents, subcontractors, and affiliated users who are involved in providing the cloud

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
				system(s) covered by the Exhibit B, have completed security awareness training within the past 12 months before gaining access to State information technology resources or may complete State-approved annual security awareness training.
√	√	√	**17. Physical Activities and Spoofing**	***Prohibited Activities*** Contractor and its officers, employees, agents, subcontractors, and a attempt to violate the security of State's network or interfere or attem systems, networks, authentication measures, servers or equipment, State's network by any other user. Such prohibited activity includes: (i) accessing or logging into a server where access is not author (ii) unauthorized probing, scanning, or testing the security or vul other systems; and (iii) attempting to portray itself as State or an affiliate of State or c access, without authorization, via State's network or systems to any technology resource not belonging to Contractor or its officers, emplo and affiliated users ("Spoofing"). ***Spoofing Prohibited*** Contractor shall not perform unauthorized Spoofing or scanning of a identity. Systems shall not Spoof the mt.gov domain or engage in En creation of email messages with a forged sender address, including State's domain. ***Email Relay*** Contractor agrees to use State's secure email relay for sending ema Outside of secure email relay, Contractor shall not Spoof the MT.gov on the State's secure email relay policy can be found at: https://www.proofpoint.com/us/products/email-security-and-protectio
√	√	√	**18. Blind or Visually Impaired**	***Blind or Visually Impaired Access*** No State funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (18-5-603, MCA.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

ATTACHMENT B MONTANA INFORMATION TECHNOLOGY TERMS AND CONDITIONS

No Data	Public Data	Non Public Data	Heading	IT Terms and Conditions
√	√	√	**19. Sanction**	***Violation of Terms and Conditions*** Violation of these terms and conditions may also be a violation of State and federal law and include both civil and criminal penalties. Depending on the offense, if the offender is an employee of State, the offender may be dismissed from employment and may not be allowed to hold a public office or public employment in the State for a period of one year from the date of dismissal.
√	√	√	**20. Linked Terms and Conditions**	***Terms & Conditions*** The parties specifically agree that any language or provisions contained on either party's website or product schedule, or contained in any "shrinkwrap" or "clickwrap" agreement, shall be of no force and effect to the extent they conflict with these Terms and Conditions.
√	√	√	**21. Indemnifica-tion**	***Indemnification*** State shall not indemnify Contractor or sub-contractors under any circumstance-.

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Attachment C
Federal Terms and Conditions
(Non-Construction)

NOTE: NO EXCEPTIONS TO THE LISTED FEDERAL TERMS AND CONDITIONS WILL BE CONSIDERED. THE STATE IS NOT PERMITTED TO ALTER THESE TERMS AND CONDITIONS THROUGH OUR FEDERAL PARTNER.

By submitting a response to this invitation for bid, request for proposal, limited solicitation, or acceptance of a contract, the contractor/vendor agrees to acceptance of the following Federal Terms and Conditions along with all other provisions that are specific to this solicitation or contract as applicable.

1. Nondiscrimination

Contractor agrees that no person shall be denied benefits of, or otherwise be subjected to discrimination in connection with the Contractor's performance under this contract, on the ground of race, religion, color, national origin, sex or handicap. Accordingly and to the extent applicable, the Contractor agrees to comply with the following national policies prohibiting discrimination:

a. On the basis of race, color or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d et seq.) as implemented by DoD regulations at 32 CFR part 195.
b. On the basis of race, color, religion, sex, or national origin, in Executive Order 11246 {3 CFR, 1964-1965 Comp. pg. 339}, as implemented by Department of Labor regulations at 41 CFR part 60.
c. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), as implemented by DoD regulations at 32 CFR part 196.
d. On the basis of age, in The Age Discrimination Act of 1975 (42 U.S.C. Section 6101 et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.
e. On the basis of handicap, in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DoD regulations at 32 CFR part 56.

2. Lobbying

Contractor agrees that it will not expend any funds appropriated by Congress to pay any person for influencing or attempting to influence an officer or employee of any agency, or a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; and, the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

The Final Rule, New Restrictions on Lobbying, issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 28) to implement the provisions of Section 319 of Public Law 101-121 (31 U.S.C. Section 1352) is incorporated by reference and the State agrees to comply with all the provisions thereof, including any amendments to the Interim Final Rule that may hereafter be issued.

3. Drug-Free Work Place

Contractor agrees to comply with the requirements regarding drug-free workplace requirements in Subpart B of 32 CFR part 26, which implements sec. 5151-5160 of the Drug-Free Workplace Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701, et seq.).

4. Environmental Protection

a. Contractor agrees that its performance under this contract shall comply with:
    1) The requirements of Section 114 of the Clean Air Act (42 U.S.C. Section 7414);
    2) Section 308 of the Federal Water Pollution Control Act (33 U.S.C. Section 1318), that relates generally to inspection, monitoring, entry reports, and information, and with all regulations and guidelines issued thereunder;
    3) The Resources Conservation and Recovery Act (RCRA);
    4) The Comprehensive Environmental Response, Compensation and Liabilities Act (CERCLA);
    5) The National Environmental Policy Act (NEPA);
    6) The Solid Waste Disposal Act (SWDA);
    7) The applicable provisions of the Clean Air Act (42 U.S.C. 7401, et seq.) and Clean Water Act (33 U.S.C. 1251, et seq.), as implemented by Executive Order 11738 and Environmental Protection Agency (EPA) rules at 40 CFR Part 31;
    8) To identify any impact this contract may have on the quality of the human environment and provide help as needed to comply with the National Environmental Policy Act (NEPA, at 42 U.S.C. 4321, et seq.) and any applicable federal, state or local environmental regulation.

b. In accordance with the EPA rules, the parties further agree that the Contractor/Vendor shall also identify to the state any impact this contract may have on:
    1) The quality of the human environment and provide help the agency may need to comply with the National Environmental Policy Act (NEPA, at 42 U.S.C 4321, et seq.) and to prepare Environment Impact Statements or other required environmental documentation. In such cases, the recipient agrees to take no action that will have an adverse environmental impact (e.g., physical disturbance of a site such as breaking of ground) until the

agency provides written notification of compliance with the environmental impact analysis process.

2) Flood-prone areas, and provide help the agency may need to comply with the National Flood Insurance Act of 1968 and Flood Disaster Protection Act of 1973 (42 U.S.C. 4001, et seq.), which require flood insurance, when available, for federally assisted construction or acquisition in flood-prone areas.
3) Coastal zones, and provide help the agency may need to comply with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451, et seq.), concerning protection of U.S. coastal resources.
4) Coastal barriers, and provide help the agency may need to comply with the Coastal Barriers Resource Act (16 U.S.C. 3501 et seq.), concerning preservation of barrier resources.
5) Any existing or proposed component of the National Wild and Scenic Rivers System, and provide help the agency may need to comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.).
6) Underground sources of drinking water in areas that have an aquifer that is the sole or principal drinking water source, and provide help the agency may need to comply with the Safe Drinking Water Act (42 U.S.C 300H-3).

5. Use of United States Flag Vessels

Contactor agrees that travel under this contract shall use U.S.-flag air carriers (air carriers holding certificates under 49 U.S.C. 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) and the inter-operative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B138942.

The Contactor/Vendor agrees that it will comply with the Cargo Preference Act of 1954 (46 U.S.C. Chapter 553), as implemented by Department of Transportation regulation at 46 CFR 381.7, and 46 CFR 381.7(b).

6. Debarment and Suspension.

Contractor is subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR Part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Contractor agrees to comply with the DOD implementation of 2 CFR part 180 (at 2 CFR 1125) by checking the Excluded Parties List System (EPLS) at the current OMB website to verify (sub)contractor eligibility to receive contracts and subcontracts resulting from this Agreement. The Contractor shall not solicit offers from, nor award contracts to contractors listed in EPLS. This verification shall be documented in the Contractors contract files and shall be subject to audit by Federal and State audit agencies.

7. Buy American Act.

Contractor agrees that it will not expend any funds appropriated by Congress without complying with The Buy American Act (41 U.S.C. 10a et seq). The Buy American Act gives preference to domestic end products and domestic construction material. In addition, the Memorandum of Understanding between the United States of America, and the European Economic Community (EEC) on Government Procurement, and the North American Free Trade Agreement (NAFTA), provide that EEC and NAFTA end products and construction materials are exempted from application of the Buy American Act.

8. Uniform Relocation Assistance and real Property Acquisition Polices

Contractor agrees that it will comply with CFR 49 part 24, which implements the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 et seq.) and provides for fair and equitable treatment of persons displaced by federally assisted programs or persons whose property is acquired as a result of such programs.

9. Copeland "Anti-Kickback" Act

Contractor agrees that it will comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3). As applied to this contract, the Copeland "Anti-Kickback" Act makes it unlawful to induce, by force, intimidation, threat or procuring dismissal from employment, or otherwise, any person employed in the construction or repair of public buildings or public works, financed in whole or in part by the United States, to give up any part of the compensation to which that person is entitled under a contract of employment.

10. Contract Work Hours and Safety Standards Act

Contractor agrees that it will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708) as supplemented by Department of Labor regulations (29 CFR Part 5). As applied to this agreement, the Contract Work Hours and Safety Standards Act specifies that no laborer or mechanic doing any part of the work contemplated by this agreement shall be required or permitted to work more than 40 hours in any workweek unless paid for all additional hours at not less than 1.5 times the basic rate of pay.

11. Rights to Inventions Made Under a Contract or Agreement.

Any discovery or invention that arises during the course of the contract shall be reported to the non-Federal entity. Contractor/Vendor must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

12. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended

Any Contract or subcontract in excess of $150,000 must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-

7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the State who in turn will report to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

13. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)

Contractors that bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

14. System For Award Management and Unique Entity Identification Number Requirements.

Contractor agrees to comply with the System for Award Management (Sam.gov) maintained by the General Services Administration. Contractor shall provide a Unique Entity ID assigned to it.

15. Procurement of recovered materials.

Contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

16. 2 C.F.R. 200.326, Appendix II, Required Contract Clauses

2 C.F.R. 200.326, Appendix II, Required Contract Clauses are incorporated by reference as if set forth in full text and are made part of this agreement as applicable. Contractor shall comply with all applicable contract clauses and provide the same clauses in any subcontracts or purchase orders issued in support of this agreement with the state.

17. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

The Contractor agrees it will not provide or use covered telecommunications equipment or services in the performance of this contract in compliance with 2 CFR 200.216. Covered telecommunications equipment or services has the meaning provided in Public Law 115-232, section 889.