

**PARTICIPATING ADDENDUM
FOR
FACILITIES MAINTENANCE AND REPAIR AND OPERATIONS
AND INDUSTRIAL SUPPLIES**

This participating addendum for facilities maintenance and repair and operations and industrial supplies is entered into between the Commonwealth of Pennsylvania ("Commonwealth"), acting through the Department of General Services ("DGS"), with its principal offices located at 515 North Office building, Harrisburg, Pennsylvania 17125-001, and W.W. Grainger, Inc. ("Contractor"), with its principal offices located at 100 Grainger Pky, Suite B4R5T46, Lake Forest, Illinois 60045, pursuant to the Facilities Maintenance and Repair & Operations ("MRO") and Industrial Supplies Contract No. MA758 2500000413 ("Master Agreement") between the Contractor and the State of Kentucky on behalf of the NASPO ValuePoint Cooperative Purchasing Organization ("NASPO ValuePoint").

The Commonwealth is entering into this participating addendum with the Contractor to procure facilities maintenance and repair operations and industrial supplies. The Commonwealth has the authority under Sections 1902 and 1908 of the Commonwealth Procurement Code, 62 Pa. C.S. §§ 1902, 1908, to undertake this type of contractual arrangement.

The parties, intending to be legally bound, agree as follows:

1. **Order of Precedence.** To the extent that there is a conflict between the contract documents, the order of precedence shall be:
 - a. This participating addendum;
 - b. The Commonwealth Terms and Conditions, set forth in Exhibit A; and
 - c. The Master Agreement, set forth in Exhibit B.
2. **Effective Date and Term.** This participating addendum shall become effective on the date the Commonwealth sends the fully executed and approved participating addendum to the Contractor ("Effective Date"). This participating addendum shall terminate or expire upon the earlier of (a) expiration or termination of the Master Agreement, or (b) termination of this participating addendum in accordance with its terms. If the Master Agreement is renewed or extended, this participating addendum shall automatically renew or extend for a term consistent with the term of the Master Agreement.
3. **Participating Addendum.** DGS and the Contractor shall be bound by the Commonwealth Terms and Conditions, attached as Exhibit A.
4. **Scope.** This participating addendum includes the entire scope of products available through the Master Agreement referenced above, except the following:
 - a. Janitorial Equipment, Supplies, and Sanitation Cleaning Chemicals; and
 - b. Surveillance Equipment.

Any scope exclusions specified herein apply only to this participating addendum and shall not amend or affect other participating addendums or the Master Agreement itself.

5. **Master Agreement.** Except as set forth in this participating addendum, DGS and Contractor shall be bound by the prices and terms and conditions as stated in the Master Agreement, attached as Exhibit B. The Contractor shall notify DGS in writing of any addendum to the Master Agreement agreed to between the Contractor and the Lead State. Such notice must be provided within two (2) business days of the addendum being executed.
6. **COSTARS Program.** COSTARS Program members shall be eligible to utilize this participating addendum under the same terms and conditions as the Commonwealth. Information related to the COSTARS Program is incorporated in the COSTARS Program Clause contained in Section I.1 IFB-027.1 of Exhibit A.
7. **Rebates.** The Contractor shall remit a recurrent rebate to the Commonwealth in the amount equal to 2.5% administrative fee of total sales made to Commonwealth agencies and participating COSTARS members (less taxes, freight, credits, and product returns). The rebate must be remitted via ACH payment and shall be due within 45 days of the end of each calendar year quarter.
8. **Minimum Discount Percentages.** The Contractor agrees to the following category discount structure:

<u>Category</u>	<u>Minimum Discount Percentage</u>
a. Fasteners	36%
b. Material Handling	12%
c. Plumbing Equipment	23%
d. Power Sources	20%
e. Landscaping and Outdoor Supplies and Equipment	13%
f. Lamps, Lighting, Ballasts, and Equipment	24%
g. Heating, Ventilation, Air Conditions, (HVAC)	18%
h. Hand Tools	14%
i. Power Tools	10%
j. Electrical Supplies and Equipment	25%
k. Paint and Related Supplies	15%
l. Security	19%
m. Safety	22%
n. Other	5%

9. **Returns.** For cancellation and return orders of non-catalog or sourced products, agencies may be subject to payment of restocking fees, cancellation fees, or return shipping fees. Any of these fees must be indicated on the supplier's quote.
10. **Quarterly Reports.** The Contractor shall submit quarterly reporting, in excel format, that includes the following but not limited to:
 - a. Ordering agency
 - b. Date
 - c. Material Number
 - d. Material Description

- e. Price
- f. UOM
- g. Material Category

11. **Contract Compliance Reports.** In accordance with Executive Order 2015-11, the Commonwealth is committed to supporting its small, diverse and veteran small business communities. The Contractor shall accurately report on a bi-annual basis the spend with 1st Tier DGS-certified small, diverse, and veteran owned businesses under this participating addendum. Details on how to register in the PRISM portal online and how to report spend with DGS-certified small businesses are included in Appendix 1 to this participating addendum.

DGS-certified businesses can be found via the DGS Supplier Search at: <https://www.dgs.internet.state.pa.us/suppliersearch/>.

12. **Required Forms.** In accordance with Pennsylvania statutes and policies, the Contractor must provide the following completed and executed certifications:
- a. Iran Free Procurement Certification Form, BOP-1701; and
 - b. Worker Protection and Investment Certification, BOP-2201.
13. **Electronic Signatures.** This agreement may be electronically signed in accordance with the Electronic Transactions Act, 73 P.S. § 2260.301, *et seq.*

[SIGNATURE PAGE FOLLOWS.]

The parties, through their authorized representatives, have signed this participating addendum on the dates indicated below.

W.W. GRAINGER, INC.

Nick Jones 1/09/25
Signature Date

Nick Jones, Government Sales Manager

Printed Name and Title

162368

SAP Number

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES**

To be obtained electronically
Deputy Secretary for Procurement Date

PENNSYLVANIA DEPARTMENT OF TREASURY:

To be obtained electronically
Treasurer (or Designee) Date

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

To be obtained electronically
Office of General Counsel Date

To be obtained electronically
Office of Attorney General Date