

**STATE OF NEW JERSEY
PARTICIPATING ADDENDUM**

Pursuant to

NASPO ValuePoint Master Agreement for Multi-Function Devices and Related Software, Services and Cloud Solutions

MASTER AGREEMENT #188733 Solicitation# RFP-NP-23-001

This Participating Addendum is made by and between, Lexmark International, Inc., whose address is 740 W. New Circle Road, Lexington, KY 40550 ("Contractor"), and the State of New Jersey, Department of the Treasury, Division of Purchase and Property ("State") whose address is 33 West State Street, 8th Floor, P.O. Box 039, Trenton, New Jersey 08625, on behalf of the State of New Jersey and all "Authorized Purchasers", as defined below. For clarification of references throughout this document, the term "State," in any form, refers to the State and any Authorized Purchaser, unless otherwise indicated. Capitalized terms used but not defined shall have the meaning ascribed to them in the Master Agreement.

WHEREAS, pursuant to N.J.S.A. 52:34-6.2, the Director of the Division of Purchase and Property ("Director"), within the New Jersey Department of the Treasury ("Division") "may enter into cooperative purchasing agreements with one or more states for the purchase of goods and services;" and

WHEREAS, the State of Colorado ("Lead State") and Contractor have entered into Master Agreement # 188733 (the "Master Agreement") in accordance with the State of Colorado Solicitation # RFP-NP-23-001 (the "Solicitation") for Multi-Function Devices and Related Software, Services and Cloud Solutions; and

WHEREAS, the Director has determined that entering into a Participating Addendum with Contractor is the most cost effective method of procuring these products and services, and that it is in the best interest of the State to enter into a Participating Addendum with Contractor; and

WHEREAS, the Parties seek to enter into this Participating Addendum to memorialize the terms of their contractual relationship;

NOW THEREFORE, for good and valuable consideration, receipt of which hereby acknowledged, the Parties to this Participating Addendum hereby agree as follows:

1.0 Term and Extension Option; Order of Precedence; Entire Agreement:

- A. The term of this Participating Addendum shall be effective from the Effective Date, which is the last date signed below, and shall continue for a period ending on the Termination Date of the Master Agreement or when this Participating Addendum is terminated in accordance with the Master Agreement or this Participating Addendum, whichever shall occur first.
- B. The entire agreement, and all rights and obligations between the Parties, shall consist of the following documents (which shall be collectively referred to as the "New Jersey Participating Addendum"):
 1. This Participating Addendum;
 2. The State of New Jersey Standard Terms and Conditions, attached hereto as Exhibit A;
 3. The Master Agreement, including its attachments and exhibits, attached hereto as Exhibit B;
 4. The Solicitation, incorporated herein by reference as Exhibit C;
 5. The Contractor's Response to the Solicitation, incorporated herein by reference as Exhibit D;
 6. Future order specific documents, in the following order:
 - a. A Purchase Order issued by an Authorized Purchaser against the New Jersey Participating Addendum;
 - b. A Contractor supplied Statement of Work as applicable, approved in writing by the Authorized Purchaser;
 - c. If applicable, the Lexmark Master Lease Agreement Terms and Conditions, Lexmark Maintenance Agreement, Lexmark Software License Agreement Terms And Conditions, Lexmark Software Limited Warranty And License Agreement Terms And Conditions, Lexmark End User License Agreement, Lexmark Extended Warranty Terms and Conditions, and associated Price Lists, as amended herein, each of which shall be subject to the terms and conditions of this Participating Addendum and the State of New Jersey Standard Terms and Conditions.

The documents comprising this New Jersey Participating Addendum shall be read to be consistent and complimentary. In the event of any conflict between the terms of the documents comprising this New Jersey Participating Addendum, the conflict shall be resolved by giving priority to the documents in the order listed above.

- C. This New Jersey Participating Addendum sets forth the entire agreement between the Parties and supersedes all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof.

- D. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this New Jersey Participating Addendum, shall not be added to or incorporated into this New Jersey Participating Addendum or the Master Agreement by any subsequent Purchase Order, Statement of Work document or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected.
- E. Amendments – This New Jersey Participating Addendum may not be amended except in a writing signed by both Parties.
- F. Any external documentation incorporated by reference within any of the documents comprising this New Jersey Participating Addendum, including, without limitation, URL hyperlink, click-through, shrink-wrap, software license agreements, service level agreements, technical reference manuals, technical support policies, copyright notices, additional license terms, etc., and any subsequent changes thereto, are subject to the terms and conditions of this New Jersey Participating Addendum. In the event of a conflict, the terms of this New Jersey Participating Addendum shall prevail. Additional terms and conditions contained in a document incorporated by reference within any of the documents comprising the New Jersey Participating Addendum may be accepted, but must be explicitly set forth in Section 4.0 herein, or as an exhibit to this New Jersey Participating Addendum.

2.0 Scope of Services:

- A. The scope of products and services that may be purchased by Authorized Purchasers shall be those products and service offerings awarded under the Master Agreement, subject to restrictions set forth below:
 - 1. Primary and Ancillary Product and Service Restrictions and Exceptions:
 - a. Group G – Only Software necessary for the basic functionality, including usage metering, of any purchased or leased device shall be made available to Authorized Purchasers. Other Software shall not be made available under this New Jersey Participating Addendum.
 - i. Exception: Ancillary Product and Service Offering Sub-Group D1 – Specialty Printers, and any software required for use of same, shall be made available to all Authorized Purchasers.
 - b. Sub-Group G1 – Software Related Services, as listed in Section II(A)(1)(1.1), of Exhibit A of the Master Agreement, shall not be made available to Authorized Purchasers.
 - 2. Open Market Items (termed “Not Specifically Priced”), as listed in Section II(A)(3) of Exhibit A of the Master Agreement, shall not be made available to Authorized Purchasers under this New Jersey Participating Addendum.
 - 3. Emerging Technologies, as listed in Section II(A)(4) of Exhibit A of the Master Agreement, shall not be made available to Authorized Purchasers under this New Jersey Participating Addendum.
 - 4. Any reduction in the scope of work for any deliverable may lead to an adjusted contract price, such adjusted contract price will be agreed upon mutually by the Contractor and the Authorized Purchaser.
 - 5. Remanufactured/Refurbished and "Like New" Equipment shall not be made available for purchase to Authorized Purchasers under this New Jersey Participating Addendum.
- B. Instructions, as well as other restrictions or limitations regarding use of this New Jersey Participating Addendum, will be set forth in the Method of Operation, which may be amended from time to time, and which shall be posted on the State’s website.
- C. Authorized Purchasers, as defined in Section 3.0 below, may finance their purchase if permitted under applicable law. If financing is through a lease agreement, that agreement is separate from this New Jersey Participating Addendum and is between the Contractor and the respective Authorized Purchaser only.

3.0 Definitions

“Authorized Purchasers” under this New Jersey Participating Addendum shall mean:

- 1. Any government agency, department, office, instrumentality, division, unit or other entity of the Executive Branch of the State;
- 2. Any county, borough, city, municipality, town, township, special purpose district, or other political subdivision of the State;
- 3. Quasi-state agencies as defined in N.J.S.A. 52:27B-56.1 as well as any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member;
- 4. School districts per N.J.S.A. 52:25-16.1;
- 5. Volunteer fire departments, volunteer first aid squads and rescue squads per N.J.S.A. 52:25-16.2; and
- 6. Independent institutions of higher education per N.J.S.A. 52:25-16.5;
- 7. County colleges per N.J.S.A. 18A:64A-25.9;
- 8. State colleges per N.J.S.A. 18A:64-60; or

9. Any legal successor in interest to any entity above.

“End User” means the user of the Contractor’s solution.

“Purchase Order” shall mean a written order, submitted via NJSTART or otherwise, received by the Contractor from an Authorized Purchaser, defining the Devices and/or Services to be provided by the Contractor, and referencing the NASPO ValuePoint Master Agreement and this New Jersey Participating Addendum.

3.1 Personally Identifiable Information (PII), Sensitive Information, and State Data Definitions

The term “Personally Identifiable Information” or “PII,” as defined by the U.S. Department of Commerce, National Institute of Standards and Technology, means any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information,

The term “State Data” means all data and metadata created or in any way originating with the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State’s hardware, the Contractor’s hardware or exists in any system owned, maintained or otherwise controlled by the State or by the Contractor, its employees, subcontractors, agents and/or affiliates. State Data includes Personal Data and Non-Public Data

The term “Personal Data” means:

- a. “Personal Information” as defined in N.J.S.A. 56:8-161, means an individual’s first name or first initial and last name linked with any one or more of the following data elements: (1) Social Security number, (2) driver’s license number or State identification card number or (3) account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual’s financial account. Dissociated data that, if linked would constitute Personal Information is Personal Information if the means to link the dissociated were accessed in connection with access to the dissociated data. Personal Information shall not include publicly available information that is lawfully made available to the general public from federal, state or local government records, or widely distributed media.
- b. Data, either alone or in combination with other data, that includes information relating to an individual that identifies the person or entity by name, identifying number, mark or description that can be readily associated with a particular individual and which is not a public record, including but not limited to, Personally Identifiable Information (PII); government-issued identification numbers (e.g., Social Security, driver’s license, passport); Protected Health Information (PHI) as that term is defined in the regulations adopted pursuant to the Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996) and found in 45 CFR Parts 160 to 164; and Education Records, as that term is defined in the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g.

The term “Non-Public Data” means data, other than Personal Data, that is not subject to distribution to the public as public information. Non-Public Data is data that is identified by the State as non-public information or otherwise deemed to be sensitive and confidential by the State because it contains information that is exempt by statute, ordinance or administrative rule from access by the general public as public information.

The term “Sensitive Information,” as used in the Master Agreement, shall include any PII and/or State Data obtained by the Contractor or present on any Devices, that are the subject of this New Jersey Participating Addendum, that are purchased, leased, or rented pursuant to this New Jersey Participating Addendum.

4.0 Modifications to the Terms of the Master Agreement

A. General Modifications

- a. To the extent the documents comprising the New Jersey Participating Addendum include payment terms that are inconsistent with the Prompt Payment Act (N.J.S.A. 52:32-32 et seq.), those terms are hereby revised. All payments due from the State or other Authorized Purchasers shall be made in accordance with the Prompt Payment Act, and shall be due no sooner than 60 calendar days from the receipt of a properly executed State invoice, or 60 calendar days from the receipt of goods or services, whichever is later.
- b. To the extent the documents comprising the New Jersey Participating Addendum require the State to defend, indemnify and/or hold harmless the Contractor, those provisions are hereby deleted. Any and all claims against the State are governed by, and must be made in accordance with, the Tort Claims Act (N.J.S.A. 59: 1-1 et seq.) and/or the Contractual Liability Act (N.J.S.A. 59: 13-1 et seq.) and are subject to Section 5.21 of the State of New Jersey Standard Terms and Conditions.
- c. To the extent the documents comprising the New Jersey Participating Addendum give the Contractor sole control over defense and/or settlement of claims against the State, those provisions are hereby deleted. In lieu thereof, the State agrees to: (1) promptly notify Contractor in writing of the claim; and

(2) provide reasonable assistance to Contractor in defending or settling the claim, including the selection of attorneys. The Contractor agrees that: (1) the State must consent to any settlement of an alleged claim, which consent shall not be unreasonably withheld; (2) the State may observe the proceeding and confer with Contractor at its own expense; and (3) the State retains the right to take over its defense, at its own cost, upon reasonable notice to Contractor. Notwithstanding item (3) herein, in accordance with Section XII.12.2.3 of the Master Agreement, if the Contractor fails to pursue the defense or settlement of an Intellectual Property Claim, as that term is defined in the Master Agreement, the State 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 State in the pursuit of the Intellectual Property Claim.

- d. To the extent the documents comprising the New Jersey Participating Addendum contain provisions requiring the State keep certain records confidential, the Contractor acknowledges and agrees that documents comprising the New Jersey Participating Addendum are subject to the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., ("OPRA"), the New Jersey common law right to know (together with OPRA, the "Public Records Laws"), and any other lawful document request or subpoena. Section 5.23 of the State of New Jersey Standard Terms and Conditions shall control the State's obligations with respect to any request for the Contractor's confidential information.
- e. To the extent the documents comprising the New Jersey Participating Addendum require the State to pay personal property taxes, state sales and use taxes, federal excise taxes, assessments, or other governmental charges, those provisions are deleted. Fines or penalties incurred by the State shall be paid by the State.
- f. The attachments to the Master Agreement listed below, as revised herein, shall apply to the types of transactions indicated:
 - i. FMV/Capital/Straight Lease
 1. Attachment 2 – Lexmark Master Lease Agreement Terms and Conditions; and
 - ii. Maintenance
 1. Attachment 3 - Lexmark Maintenance Agreement
- g. No Authorized Purchasers, as that term is defined herein, shall enter into any of the following transaction types. Accordingly, the attachments to the Master Agreement listed below are not part of this New Jersey Participating Addendum:
 - i. Cloud Fleet Management
 1. Attachment 5 – Lexmark Cloud Services Agreement

B. NASPO VALUEPOINT MASTER AGREEMENT

a. MASTER AGREEMENT TERMS AND CONDITIONS

- i. **Section IV.4.9, Release of Information**, shall be modified by adding the following:
Contractor must secure written approval from the State of New Jersey prior to the release of any information, including any written correspondence, which pertains to the potential work or activities performed under the New Jersey Participating Addendum. Contractor shall not publish any Personally Identifiable Information (PII) or State Data as defined in the New Jersey Participating Addendum.
- ii. **Section VII.7.12, Ordering**, shall be modified by adding the following:
Any overpayment or underpayment resulting from such estimates shall be reconciled upon a subsequent meter read.
- iii. **Section VIII.8.4, Software Installation**, shall be deleted in its entirety and restated as follows:
Software related to the Device must be installed within ten (10) Business Days of the Device installation, or as otherwise stated in an Order. Any delays beyond ten (10) Business Days pertaining Software will be discussed and mutually agreed upon between the Authorized Purchaser and Contractor.
- iv. **Section IX.9.4**, shall be deleted in its entirety and restated as follows:
Authorized Purchaser agrees to sign and return the D&A to Contractor (which, at mutual agreement, may be done electronically) within ten (10) Business Days after any Device is installed.
- v. **Section IX.9.5**, shall be deleted in its entirety and restated as follows:
Failure to sign the D&A or reject the Device(s) within the foregoing ten (10) day period shall be deemed as Acceptance by the Authorized Purchaser; however, it does not relieve the Contractor of liability for material (nonconformity that substantially impairs value) defects subsequently revealed when Devices are put to use. Acceptance of such Devices may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor shall be liable for any resulting expense incurred by the Authorized Purchaser in relation to the preparation and shipping of Devices(s) rejected and returned, or for which Acceptance is revoked.

b. EXHIBIT A – STATEMENT OF WORK

- i. **Section II.A.3.4, Device Standards**, shall be deleted in its entirety and restated as follows:
Devices acquired by Authorized Purchasers under the New Jersey Participating Addendum must be Newly Manufactured and current.

- ii. **Section II.A.6, Remanufactured and Refurbished Equipment**, shall be modified by addition the following:
Remanufactured or Refurbished Devices shall not be supplied to Authorized Purchasers under the New Jersey Participating Addendum.
- iii. **Section II.A.7.1 Software**, shall be deleted in its entirety and restated as follows:
Only Software necessary for the basic functionality, including usage metering, of any purchased or leased device shall be made available to Authorized Purchasers. The New Jersey Participating Addendum will supersede and control if there is conflicting language between the New Jersey Participating Addendum and any software licensing agreement.
- iv. **Section II.B.3, Open Market Items**, shall be deleted in its entirety
- v. **Section II.B.4.1, Emerging Technologies**, shall be modified by adding the following:
New, related technology added to the Master Agreement pursuant to this Section shall not be made available to Authorized Purchasers under the New Jersey Participating Addendum.
- vi. **Section III.F.2, Payment**, shall be modified to state as follows:
The first scheduled payment (as specified in the applicable Order), will be due following the Acceptance of the Products, subject to the New Jersey Prompt Payment Act (N.J.S.A. 52:32-32 et seq.), or such later date as Contractor may designate. Each remaining payment will also be subject to the New Jersey Prompt Payment Act (N.J.S.A. 52:32-32 et seq.).
- vii. **Section III.F.5, Device Upgrade or Downgrade**, shall be deleted and replaced as follows:
An Authorized Purchaser may do a Device Upgrade or Downgrade on a lease at any time throughout the term of the lease agreement. The Authorized Purchaser and the Contractor shall negotiate the price of the Device Upgrade or Downgrade. The total cost of a Device Downgrade may be less than the remaining stream of Device Payments.
- viii. **Section III.F.9.1, Default**, shall be modified to state as follows:
Authorized Purchaser fails to pay any payment or other amount within the time period required by the New Jersey Prompt Payment Act (N.J.S.A. 52:32-32 et seq.);
- ix. **Section III.F.9.2, Default**, shall be deleted in its entirety;
- x. **Section IV.A.2.1.d, End-User Training**, shall be deleted and replaced as follows:
Contractor may offer additional on-site, one-hour training sessions for a flat rate fee. Authorized Purchasers shall not be billed any additional charges for travel or per diem.
- xi. **Section IV.A.2.1.e, End-User Training**, shall be deleted and replaced as follows:
Contractor must provide on-site or off-site operational training to designated Authorized Purchaser personnel, until the personnel are able to operate the Device independently. Pricing for operational training shall be based on a flat rate fee. Authorized Purchasers shall not be billed any additional charges for travel or per diem.
- xii. **Section IV.A.2.5.d, Repair Parts**, shall be modified to state as follows:
Repair parts shall be new.
- xiii. **Section IV.A.2.6.a, Service Zones**, shall be modified to state as follows:
Service Call Response Times shall be no more than Two (2) Business Days.
- xiv. **Section IV.A.2.6.c, Service Zones**, shall be deleted in its entirety.

C. LEXMARK MASTER LEASE AGREEMENT TERMS AND CONDITIONS– ATTACHMENT 2

- a. **Paragraph 2, Term and Rent**, shall be deleted in its entirety and replaced with the following:
This Agreement shall become effective upon acceptance and execution by us and shall remain effective at least until the expiration of the last Lease term under any Schedule. Each Lease is effective on the date that it is accepted and signed by us, and the term of each Lease begins on that date or any later date that we designate (the "Commencement Date") and continues thereafter for the number of months indicated on the Lease. The first scheduled Payment (as specified in the applicable Schedule) ("Payment") shall be due no earlier than 60 days after the Purchasing Entity's receipt of a properly executed State Payment Voucher or 60 days after Inspection and Acceptance, whichever is later. All subsequent remaining Payments will be made in accordance with the New Jersey Prompt Payment Act (N.J.S.A. 52:32-32 et seq.). Lease Payments will be due as stated herein until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to you under the Lease are paid in full. THIS AGREEMENT AND ALL LEASES ARE NON-CANCELABLE except as specified under the State of New Jersey Standard Terms and Conditions or herein. The amount of each Lease Payment is based on the supplier's best estimate of the Equipment cost including (if applicable), any installation, other related costs and estimated sales or use tax, and per the pricing in the NASPO ValuePoint Master Agreement. The Lease Payments will be adjusted proportionately upward or downward if the actual total cost of the Equipment or taxes is more or less than the estimate.
- b. **Paragraph 3, Late Charges/Documentation Fees**, shall be deleted in its entirety and replaced with the following:
All payment terms are subject to Section 6.5 of the State of New Jersey Standard Terms and Conditions.
- c. **Paragraph 12, Taxes**, shall be deleted in its entirety and replaced with the following:

As stated at Section 6.2 of the State of New Jersey Standard Terms and Conditions, the State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

- d. **Paragraph 14, Default**, shall be deleted in its entirety and replaced with the following:
You are in default of this Agreement and any Lease if any of the following occurs: a) you fail to pay any Payment or any other amount as required under Section 6.5 of the State of New Jersey Standard Terms and Conditions; b) you breach any representation warranty or other obligation under this Agreement and this failure continues for forty-five (45) days after we notify you of default; c) any guarantor dies, stops doing business as a going concern or transfers all or substantially all of such guarantor's assets, make an assignment for the benefit of creditors and/or you become insolvent or unable to pay your debts when due; you stop doing business as a going concern; you merge, consolidate, transfer all or substantially all of your assets; you make an assignment for the benefit of creditors or you undergo a substantial deterioration in your financial condition; or d) you, voluntarily file or have filed against you involuntarily, a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for you or it or a substantial part of your or its assets.
- e. **Paragraph 15, Remedies**, shall be deleted in its entirety.
- f. **Paragraph 19, UCC Filings and Financial Statements**, shall be deleted in its entirety and replaced with the following:
You authorize us or our designee to insert the serial number(s) of the Equipment in this Agreement (including any schedules) and in all documents in connection with any Uniform Commercial Code filings. At our request, you will sign and provide such documents for filing purposes.
- g. **Paragraph 21, UCC – Article 2A Provisions**, shall be deleted in its entirety.
- h. **Paragraph 22, Choice of Law**, shall be deleted in its entirety and replaced with the following:
This Agreement and each Lease shall in all respects be interpreted and all transactions subject to this Agreement and each Lease and all rights and liabilities of the parties under this Agreement and each Lease shall be determined and governed as to their validity, interpretation, enforcement and effect by the laws of the State of New Jersey.

D. LEXMARK MAINTENANCE AGREEMENT – ATTACHMENT 3

- a. **Paragraph 6, Payments**, shall be deleted in its entirety and replaced with the following:
All payment terms are subject to Section 6.5 of the State of New Jersey Standard Terms and Conditions. The first scheduled Payment (as specified in the applicable Schedule) ("Payment") shall be due no earlier than 60 days after the Purchasing Entity's receipt of a properly executed State Payment Voucher or 60 days after Inspection and Acceptance, whichever is later. All subsequent remaining Payments will be made in accordance with the New Jersey Prompt Payment Act.
- b. **Paragraph 7, Default and Remedies**, shall be deleted in its entirety and replaced with the following:
You will be in default under this Agreement if: a) you fail to pay any Payment or any other amount as required under Section 6.5 of the State of New Jersey Standard Terms and Conditions; or b) you fail to observe or perform any other term, covenant, or condition of this Agreement and such failure continues for forty-five (45) days following receipt of written notice from us; or (c) a petition is filed by or against you under any bankruptcy or insolvency law.
If you are in default we may, at our option, do one or more of the following: (a) terminate this Agreement or the applicable Schedule; (b) suspend or terminate maintenance services and/or the provisions of supplies; or (c) collect all past due and current Charges together with interest at the rate of 1% per month (but not more than the lawful maximum rate, whichever is less) on any amounts that are more than 45 days delinquent.
These remedies are cumulative, in addition to any other rights or remedies available at law or in equity, and may be exercised concurrently or separately. Any failure or delay to exercise any right shall not operate as a waiver of any other right or future right.

5.0 Miscellaneous

- A. No Waiver - No term or provision of the New Jersey Participating Addendum shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by an individual authorized to so waive or consent. Any consent by either party to, or waiver of, a breach by the other whether expressed or implied, shall not constitute a consent to, waiver of, or excuse for, any other breach or any subsequent breach, except as may be expressly provided in the waiver or consent.
- B. Dispute Resolution - The State and Contractor will attempt to resolve any dispute through face-to-face (which may be virtual) negotiation with persons fully authorized to resolve the dispute or through non-binding mediation utilizing

a mediator agreed to by the Parties, rather than through litigation. No formal proceedings for the judicial resolution of such dispute, except for the seeking of equitable relief or those required to avoid non-compliance with the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., may begin until either such persons conclude, after a good faith effort to resolve the dispute, that resolution through continued discussion is unlikely.

- C. Arbitration or Mediation - Any provision regarding arbitration or binding mediation within the Master Agreement is deleted in its entirety.
- D. Pursuant to N.J.A.C. 17:12-1B.2, notwithstanding anything to the contrary in the Master Agreement, under no circumstances will the State indemnify Contractor and any such provision in the Master Agreement shall be of no force and effect.
- E. Notwithstanding anything to the contrary in the Master Agreement or its Attachments, the State shall not be responsible for the Contractor's attorney fees and/or expenses.
- F. Notwithstanding anything to the contrary in the Master Agreement, the State does not agree to auto-renewal of maintenance, technical support, service fees, subscription fees or any other product or service requiring periodic renewal.
- G. Early Termination Charges: Except in the case of Non-appropriation of funds, FMV, \$1 Buyout, and Leases shall be subject to an early termination charge, and shall involve the return of the Equipment (in good working condition; ordinary wear and tear excepted) by the Authorized Purchaser to the Contractor. With respect to the Equipment, the termination charge shall not exceed the balance of remaining Equipment Payments (including any current and past due amounts), and with respect to Service or maintenance obligations, the termination charge shall not exceed four (4) months of the Service and Supply base charge or twenty five percent (25%) of the remaining Maintenance Agreement term, whichever is less.
- H. Procurement Efficiency Program
 - 1. Quarterly Sales Reporting - The Contractor shall submit a Sales Report documenting all sales made under the Participating Addendum. The Sales Report shall be submitted directly to Periscope no later than thirty (30) calendar days after the end of each calendar quarter. The calendar quarters will end March 31, June 30, September 30, and December 31. The Sales Report must contain the following information:
 - a. Complete and accurate details of all sales, credits, returns, refunds, and the like for the reporting quarter;
 - b. Authorized Purchaser;
 - c. Total of Procurement Efficiency Program Fee amount due for the reporting quarter;
 - d. Such other information as the State may reasonably request;
 - e. If no sales were made against this Participating Addendum during the reporting quarter, then a report shall be submitted showing zero sales and zero Procurement Efficiency Program Fee due; and
 - f. Quarterly Sales Reporting and remittance of the Procurement Efficiency Program Fee shall begin on the first calendar quarter starting after the effective date of the Participating Addendum.
 - 2. Procurement Efficiency Program Fee - For all purchases made under this Participating Addendum, that have been invoiced, the Contractor shall remit the Procurement Efficiency Program Fee in the amount of one percent (1%) of all Purchases to Periscope acting on behalf of the State of New Jersey.
 - 3. Remittance of the Procurement Efficiency Program Fee - On a quarterly basis, the Contractor shall remit the Procurement Efficiency Program Fee directly to Periscope no later than thirty (30) days after the end of each calendar quarter. The calendar quarters will end March 31, June 30, September 30, and December 31. Failure to remit the Procurement Efficiency Program Fee timely and accurately may result in Contract termination as outlined in the "Termination of Contract" clause of the State of New Jersey Standard Terms and Conditions.
 - 4. **NJSTART** Marketplace Catalog Enablement - Contractor shall cooperate with State and/or Periscope as requested to upload catalog items and pricing consistent with this Participating Addendum. Contractor shall upload catalog within (thirty) 30 calendar days of the date of execution of this Participating Addendum. Failure to cooperate will result in the Contractor's good and/or services not being represented in the **NJSTART** Marketplace. The Contractor shall ensure that the catalog complies with the scope, and terms and conditions of this Participating Addendum. Any identified deviation from the Participating Addendum must be corrected immediately. Any catalog that does not comply with the scope and terms and conditions of this Participating Addendum shall be corrected and will be escalated to the Division of Purchase and Property's Contract Compliance and Audit Unit for review and possible action.
 - 5. Retention and Inspection of Records and Audit - The Contractor shall keep records of all sales made to all Using Agencies in sufficient detail to enable the State to determine the Procurement Efficiency Program Fee payable by the Contractor. The State and/or Periscope may examine and audit, at its own expense, Contractor's sales records and Sales Reports for completeness and accuracy. If such examination reveals underpayment of the Procurement Efficiency Program Fee, the Contractor shall immediately pay to Periscope the amount of deficiency. If the examination reveals an underpayment of 5% or more, then the Contractor shall reimburse the State and/or Periscope for the cost of the audit.

I. Delivery Guarantees

1. Deliveries shall be made in accordance with the terms of the Master Agreement and instructions of the Authorized Purchaser. Notwithstanding anything to the contrary in any Master Agreement, the State shall not pay shipping charges for failure to meet a minimum shipment amount.
2. In the event delivery of goods or services is not made within the number of days stipulated, the State shall be authorized to obtain the product or service from another Vendor under the M2075 contract utilizing the Method of Operation.
3. The Contractor shall be responsible for the delivery of new products in accordance with good commercial practice.

J. Dealers/Distributors

Contractor has the right to utilize authorized Dealers/Distributors (hereinafter Distributors) for direct order taking, processing, fulfillment or provisioning.

The Contractor agrees to provide a list of the Distributor(s) that will service the Contract, including the name, address and contact information for each Distributor. The Contractor will be required to submit the documents set forth in Section 6 - The State of New Jersey Mandatory Certification Requirements, for each Distributor, prior to the Distributor being permitted to perform any work on the Contract.

Distributors may be removed and/or added upon ten (10) business days' prior written notice to the State during the term of the New Jersey Participating Addendum. The State reserves the right to remove an authorized Distributor, at its discretion for cause, not meeting established Contractor criteria under the New Jersey Participating Addendum, or where the addition, or continued use, of the entity would violate any State or federal law or regulation. If an authorized Distributor is removed for any reason, Contractor will name the alternate Distributor responsible to fulfill each pending purchase order and is responsible for any delay to the expected delivery.

K. Personally Identifiable Information (PII), Sensitive Information, and State Data

1. **Data Ownership** – The State is the owner of its data. Contractor shall not obtain any right, title, or interest in any of the data furnished by the State, or information derived from or based on State Data, except as required in connection with performing its duties pursuant to a purchase, rental, lease, or maintenance agreement entered into by an Authorized Purchaser against this New Jersey Participating Addendum, including any required services.
2. **Data usage, storage, and protection of PII and Sensitive Information** – Contractor agrees to comply with all applicable international, federal and state statutory and regulatory requirements for secure usage, storage, and protection of PII, State Data, and other Confidential Information as may be applicable, including those required by: Health Insurance Portability and Accountability Act of 1996, P.L. No. 104-191 (1996), Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax confidentiality statute, the New Jersey Privacy Notice found at NJ.gov, N.J.S.A. § 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. § 56:11-44 et. seq., the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. § 39:2-3.4. Contractor shall also conform to The Payment Card Industry Data Security Standard (PCI DSS), where applicable.
3. **Security** – Contractor agrees to take appropriate administrative, technical and physical safeguards reasonably designed to protect the security, privacy, confidentiality, and integrity of user information. Contractor shall ensure that PII and other Sensitive Information is secured and encrypted during transmission or at rest using encryption algorithms that are recommended, approved or validated by the National Institute of Standards and Technology ("NIST").
4. **Data Transmission** – The Contractor shall only transmit or exchange State of New Jersey data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the Contract or the State of New Jersey. The Contractor shall only transmit or exchange data with the State of New Jersey or other parties through secure means supported by current technologies. The Contractor shall encrypt all PII and other Sensitive Information during any transmission or exchange of that data using encryption algorithms that are recommended, approved or validated by the National Institute of Standards and Technology ("NIST").
5. **Data Re-Use** – All State Data shall be used expressly and solely for the purposes enumerated in the Contract Data shall not be distributed, repurposed or shared across other applications, environments, or business units of the Contractor. No State Data of any kind shall be transmitted, exchanged or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager.
6. **Data Breach** – In the event of any actual, probable or reasonably suspected breach of security, or any unauthorized access to or acquisition, use, loss, destruction, compromise, alteration or disclosure of any PII (each, a security breach) that may concern any Sensitive Information or PII, Contractor shall: (a) immediately notify the State of such breach, but in no event later than 24 hours after learning of such security breach; (b) designate a single individual employed by Contractor who shall be available to the State 24 hours per day, seven (7) days per week as a contact regarding Contractor's incident response for the duration of the incident response; (c) not provide any other notification or provide any disclosure to the public regarding such security breach without the prior written consent of the State,

unless required to provide such notification or to make such disclosure pursuant to any applicable law, regulation, rule, order, court order, judgment, decree, ordinance, mandate or other request or requirement now or hereafter in effect, of any applicable governmental authority or law enforcement agency in any jurisdiction worldwide (in which case Contractor shall consult with the State and reasonably cooperate with the State to prevent any notification or disclosure concerning any PII, security breach, or other Sensitive Information); (d) assist the State in investigating, remediating and taking any other action the State deems necessary regarding any security breach and any dispute, inquiry, or claim that concerns the security breach; (e) follow all instructions provided by the State relating to the Sensitive Information affected or potentially affected by the security breach; (f) take such actions as necessary to prevent future security breaches; and (g) unless prohibited by an applicable statute or court order, notify the State of any third-party legal process relating to any security breach including, at a minimum, any legal process initiated by any governmental entity (foreign or domestic).

7. **Data Location:** Contractor shall provide its services to State and its End Users solely from data centers in the U.S. Storage of State Data in transit and at rest shall be solely in data centers in the U.S. Contractor shall not allow its employees, subcontractors, agents and/or affiliates to store State Data on Mobile Devices, including personal computers, except for devices that are used and kept within the physical structure of its U.S. data centers. The Contractor may provide technical user support on a seven-day by 24-hour basis, unless otherwise prohibited in this New Jersey Participating Addendum.

6.0 The State of New Jersey Mandatory Certification Requirements

The following are the State of New Jersey standard procurement forms and requirements that Contractor agrees to fulfill prior to the Effective Date. Some Authorized Purchasers may have additional requirements when placing an order and Contractor shall comply with same as necessary.

- A. [Ownership Disclosure](#) (N.J.S.A. 52:25-24.2);
- B. [Disclosure of Investment Activities in Iran](#) (N.J.S.A. 52:32-55 *et. seq.*);
- C. [Disclosure of Investigations and Actions Involving Bidder Form](#);
- D. [MacBride Principles](#) (N.J.S.A. 52:34-12.2);
- E. [Source Disclosure Certification](#) (N.J.S.A. 52:34-13.2);
- F. [Completed Contractor Certification and Disclosure of Political Contributions](#) (N.J.S.A. 19:44A-20:13 *et. seq.*);
- G. [Vendor Certification](#) (P.L. 2005, c.271);
- H. New Jersey Business Registration (N.J.S.A. 52:32-44);
- I. Proof of insurance as specified herein;
- J. [Proof of compliance with New Jersey Affirmative Action requirements](#) (N.J.A.C. 17:27-1.1 *et. seq.*):
 - New Jersey Form AA-302 Affirmative Action Employee Information Report; or
 - New Jersey Affirmative Action Certificate; or
 - Federal Affirmative Action Approval Letter.
- K. [Disclosure of Prohibited Activities in Russia / Belarus Form](#)

7.0 Primary Contacts

Any notice between the Parties provided for in this New Jersey Participating Addendum, or elsewhere in the Master Agreement shall be in writing, and shall be sent both via regular certified mail return receipt requested and via email to the addresses provided. The Parties should give prompt notice to each other if the appropriate person or address changes. The primary contacts for this New Jersey Participating Addendum are as follows:

State of New Jersey – Department of the Treasury – Division of Purchase and Property	
Name	Brittany Billings
Title	Procurement Specialist
Address	33 West State Street, 8 th Floor, PO Box 230 Trenton, New Jersey 08625-0230
Telephone	(609) 292-4927
Fax	(609) 292-1114
Email	brittany.billings@treas.nj.gov

Lexmark International, Inc.	
Name	Debra Lee
Title	SLED Contract Business Development Manager
Address	740 W. New Circle Road, Lexington, KY 40550
Telephone	847.537.0344
Website	http://shop.lexmark.com/naspo
Email	debra.lee@lexmark.com

IN WITNESS WHEREOF, The Contractor and the State have caused this Participating Addendum to be executed by their authorized representatives and agree that this Participating Addendum may be executed in counterparts, each original signed page to become part of the original document.

Lexmark International, Inc.

Ross Kezelman Digitally signed by Ross Kezelman
Date: 2025.06.26 08:43:14 -07'00'

Signature

6/26/2025

Date

Ross Kezelman, Senior Contracts Manager, Government

Print Name and Title

The State of New Jersey
Department of the Treasury - Division of Purchase and Property

DocuSigned by:

Amy Davis

Amy P. Davis, Acting Director

September 5, 2025

Date

Approved as to Form
Matthew J. Platkin, Attorney General
State of New Jersey – Department of Law and Public Safety

By: *Allyson Cofran* **Allyson Cofran**

Signature

August 26, 2025

Date

Deputy Attorney General

Print Name and Title

EXHIBITS

EXHIBIT A - The State of New Jersey Standard Terms and Conditions

EXHIBIT B - The Master Agreement, including its attachments and exhibits

EXHIBIT C - The Solicitation; available at:

<https://www.naspovaluepoint.org/portfolio/multi-function-devices-and-related-software-services-and-cloud-solutions/>

EXHIBIT D - The Contractor's response to the Solicitation, available at:

<https://www.naspovaluepoint.org/portfolio/multi-function-devices-and-related-software-services-and-cloud-solutions/lexmark-international-inc/>

EXHIBIT A

The State of New Jersey Standard Terms and Conditions



State of New Jersey Standard Terms and Conditions

(Revised February 8, 2024)

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY - DIVISION OF PURCHASE AND PROPERTY
33 WEST STATE STREET, P.O. BOX 230 TRENTON, NEW JERSEY 08625-0230

1.0 STANDARD TERMS AND CONDITIONS APPLICABLE TO THE CONTRACT

The following terms and conditions shall apply to all contracts or purchase agreements made with the State of New Jersey. The State's terms and conditions shall prevail over any conflicts set forth in a Contractor's Quote or Proposal.

2.0 STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

The statutes, laws, regulations or codes cited herein are available for review at the [New Jersey State Library](#), 185 West State Street, Trenton, New Jersey 08625.

2.1 BUSINESS REGISTRATION

Pursuant to N.J.S.A. 52:32-44, the State is prohibited from entering into a contract with an entity unless the Contractor and each subcontractor named in the proposal have a valid Business Registration Certificate on file with the Division of Revenue and Enterprise Services. A subcontractor named in a bid or other proposal shall provide a copy of its business registration to the Contractor who shall provide it to the State.

The contractor shall maintain and submit to the State a list of subcontractors and their addresses that may be updated from time to time with the prior written consent of the Director of the Division of Purchase and Property (Director) during the course of contract performance. The contractor shall submit to the State a complete and accurate list of all subcontractors used and their addresses before final payment is made under the contract.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration, or that provides false business registration information, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury, the Use Tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG can be filed online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

2.2 OWNERSHIP DISCLOSURE

Pursuant to N.J.S.A. 52:25-24.2, in the event the Contractor is a corporation, partnership or limited liability company, the Contractor must complete an Ownership Disclosure Form.

A current completed Ownership Disclosure Form must be received prior to or accompany the submitted Quote. A Contractor's failure to submit the completed and signed form prior to or with its Quote will result in the Contractor being ineligible for a Contract award, unless the Division of Purchase and Property (Division) has on file a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the Quote submission deadline for this procurement. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the Quote.

In the alternative, a Contractor with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

2.3 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Pursuant to N.J.S.A. 52:32-58, the Contractor must utilize this Disclosure of Investment Activities in Iran form to certify that neither the Contractor, nor one (1) of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the Contractor, nor one (1) of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the Contractor is unable to so certify, the Contractor shall provide a detailed and precise description of such activities as directed on the form. A Contractor's failure to submit the completed and signed form will preclude the award of a Contract to said Contractor.

2.4 ANTI-DISCRIMINATION

All parties to any contract with the State agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A. 10:5-1 et seq. and N.J.S.A. 10:5-31 through 10:5-38, and all rules and regulations issued thereunder are hereby incorporated by reference. The agreement to abide by the provisions of N.J.S.A. 10:5-31 through 10:5-38 include those provisions indicated for Goods, Professional Service and General Service Contracts (Exhibit A, attached) and Constructions

Contracts (Exhibit B and Exhibit C - Executive Order 151 Requirements) as appropriate.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time.

2.5 AFFIRMATIVE ACTION

In accordance with N.J.A.C. 17:27-1.1, prior to award, the Contractor and subcontractor must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. Contractors or subcontractors not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval must complete the Affirmative Action Employee Information Report (AA-302) located on the web at https://www.state.nj.us/treasury/contract_compliance/.

2.6 AMERICANS WITH DISABILITIES ACT

The contractor must comply with all provisions of the Americans with Disabilities Act (ADA), P.L. 101-336, in accordance with 42 U.S.C. 12101, et seq.

2.7 MACBRIDE PRINCIPLES

The Contractor must certify pursuant to N.J.S.A. 52:34-12.2 that it either has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein or that it will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

2.8 PAY TO PLAY PROHIBITIONS

New Jersey law insulates the negotiation and award of State contracts from political contributions that pose a risk of improper influence, purchase of access or the appearance thereof. P.L.2005, c.51, as amended by the Elections Transparency Act, P.L.2023, c.30, codified at N.J.S.A. 19:44A-20.13 to 20.25 ("Chapter 51") and Executive Order 333 (2023).

Pursuant to N.J.S.A. 19:44A-20.13 et seq. (P.L.2005, c.51, rev. P.L.2023, c.30), a "fair and open process" means, at a minimum, that the contract shall be: publicly advertised in newspapers or on the Internet website maintained by the public entity in sufficient time to give notice in advance of the contract; awarded under a process that provides for public solicitation of proposals or qualifications and awarded and disclosed under criteria established in writing by the public entity prior to the solicitation of proposals or qualifications; and publicly opened and announced when awarded. A contract awarded under a process that includes public bidding or competitive contracting pursuant to State contracts law shall constitute a fair and open process. N.J.S.A. 19:44A-20.23. The agency conducting the procurement will need to determine whether the procurement meets the Election Transparency Act definition of a "fair and open process" and instruct vendors on the applicability of Chapter 51.

A. For Contracts Awarded Pursuant to a Fair and Open Process

Pursuant to P.L.2005, c.51, as amended by the Elections Transparency Act, P.L.2023, c.30, codified at N.J.S.A. 19:44A-20.13 to 20.25 ("Chapter 51"), and Executive Order No. 333 (2023), contracts awarded pursuant to a fair and open process do not require a certification or disclosure of any solicitation or contribution of money, or pledge of contribution, including in-kind contributions.

B. For Contracts Awarded Pursuant to a Non-Fair and Open Process

Pursuant to N.J.S.A. 19:44A-20.13 et seq. (P.L.2005, c.51, rev. P.L.2023, c.30), and Executive Order 333 (2023), the State shall not enter into a Contract to procure services or any material, supplies or equipment, or to acquire, sell, or lease any land or building from any Business Entity, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions, to a Continuing Political Committee or to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor or Lieutenant Governor during certain specified time periods. It shall be a breach of the terms of the contract for the Business Entity to:

- (1) Make or solicit a contribution in violation of the statute;
- (2) Knowingly conceal or misrepresent a contribution given or received;
- (3) Make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution;
- (4) Make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate or holder of the public office of Governor or Lieutenant Governor;
- (5) Engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of the Legislation;
- (6) Fund contributions made by third parties, including consultants, attorneys, family members, and employees;
- (7) Engage in any exchange of contributions to circumvent the intent of the Legislation; or
- (8) Directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of the Legislation.

Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the Contract, and any extension(s) thereof, at the time any such contribution is made.

A "Continuing Political Committee" means any political organization (a) organized under section 527 of the Internal Revenue Code; and (b) consisting of any group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association, including a political club, political action committee, civic association or other organization, which in any calendar year contributes or expects to contribute at least \$5,500 to the aid or promotion of the candidacy of an individual, or of the candidacies of individuals, for elective public office, or the passage or defeat of a public question or public questions, and which may be expected to make contributions toward such aid or promotion or passage or defeat during a subsequent election, provided that the group, corporation, partnership, association or other organization has been determined to be a Continuing Political Committee by the New Jersey Election Law Enforcement Commission under N.J.S.A.19:44A-8. A Continuing Political Committee does not include a "political party committee," a "legislative leadership committee," or an "independent expenditure committee," as defined in N.J.S.A. 19:44A-3.

Prior to awarding any Contract or agreement to any Business Entity pursuant to a non-fair and open process, the Business Entity proposed as the intended Contractor of the Contract shall submit the Two-Year Chapter 51 /Executive Order 333 Vendor Certification and Disclosure of Political Contributions for Non-Fair and Open Contracts, certifying either that no contributions to a Continuing Political Committee or to a candidate committee or election fund of a gubernatorial candidate have been made by the Business Entity and reporting all qualifying contributions made by the Business Entity or any person or entity whose contributions are attributable to the Business Entity. The required form and instructions, available for review on the Division's website at <http://www.state.nj.us/treasury/purchase/forms/eo134/Chapter51.pdf>.

2.9 POLITICAL CONTRIBUTION DISCLOSURE

The contractor is advised of its responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (ELEC), pursuant to N.J.S.A. 19:44A-20.27 (P.L.2005, c.271, rev. P.L.2023, c.30) if in a calendar year the contractor receives one or more contracts valued at \$50,000.00 or more. It is the contractor's responsibility to determine if filing is necessary. Failure to file can result in the imposition of penalties by ELEC. Additional information about this requirement is available from ELEC by calling 1(888)313-3532 or on the internet at <http://www.elec.state.nj.us/>.

2.10 STANDARDS PROHIBITING CONFLICTS OF INTEREST

The following prohibitions on contractor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

- A. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b. and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g;
- B. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the New Jersey Office of the Attorney General and the Executive Commission on Ethical Standards, now known as the State Ethics Commission;
- C. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he/she is employed or associated or in which he/she has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, now known as the State Ethics Commission, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest;
- D. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his/her official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee;
- E. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his/her official position to secure unwarranted privileges or advantages for the vendor or any other person; and
- F. The provisions cited above in paragraphs 2.8A through 2.8E shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards, now known

as the State Ethics Commission may promulgate under paragraph 3c of Executive Order No. 189.

2.11 NEW JERSEY BUSINESS ETHICS GUIDE CERTIFICATION

The Treasurer has established a business ethics guide to be followed by a Contractor in dealings with the State. The guide can be found at: <https://www.nj.gov/treasury/purchase/pdf/BusinessEthicsGuide.pdf>.

2.12 NOTICE TO ALL CONTRACTORS SET-OFF FOR STATE TAX NOTICE

Pursuant to N.J.S.A. 54:49-19, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

2.13 COMPLIANCE - LAWS

The contractor must comply with all local, State and Federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.

2.14 COMPLIANCE - STATE LAWS

It is agreed and understood that any contracts and/or orders placed as a result of [this proposal] shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of New Jersey.

2.15 WARRANTY OF NO SOLICITATION ON COMMISSION OR CONTINGENT FEE BASIS

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. If a breach or violation of this section occurs, the State shall have the right to terminate the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

2.16 DISCLOSURE OF INVESTIGATIONS AND OTHER ACTIONS

The Contractor should submit the Disclosure of Investigations and Other Actions Form which provides a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years, including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. If a Contractor does not submit the form with the Quote, the Contractor must comply within seven (7) business days of the State's request or the State may deem the Quote non-responsive.

2.17 DISCLOSURE OF PROHIBITED ACTIVITIES WITH RUSSIA OR BELARUS

Pursuant to N.J.S.A. 52:32-60.1 et seq. (P.L. 2022, c.3), a person or entity seeking to enter into or renew a contract for the provision of goods or services shall certify that it is not identified on the list of persons or entities engaging in prohibited activities in Russia or Belarus. Consistent with the federal law, the list of persons and entities engaging in prohibited activities in Russia or Belarus shall consist of all persons and entities appearing on the list of Specially Designated Nationals and Blocked Persons promulgated by the Office of Foreign Assets Control (OFAC) on account of activity relating to Russia or Belarus.

3.0 STATE LAW REQUIRING MANDATORY COMPLIANCE BY CONTRACTORS UNDER CIRCUMSTANCES SET FORTH IN LAW OR BASED ON THE TYPE OF CONTRACT

3.1 COMPLIANCE - CODES

The contractor must comply with New Jersey Uniform Construction Code and the latest National Electrical Code 70®, B.O.C.A. Basic Building code, Occupational Safety and Health Administration and all applicable codes for this requirement. The contractor shall be responsible for securing and paying all necessary permits, where applicable.

3.2 PREVAILING WAGE ACT

The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.25 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The Contractor's signature on [the proposal] is his/her guarantee that neither he/she nor any subcontractors he/she might employ to perform the work covered by [the proposal] has been suspended or debarred by the Commissioner, Department of Labor and Workforce Development for violation of the provisions of the Prevailing Wage Act and/or the Public Works Contractor Registration Acts; the Contractor's signature on the proposal is also his/her guarantee that he/she and any subcontractors he/she might employ to perform the work covered by [the proposal] shall comply with

the provisions of the Prevailing Wage and Public Works Contractor Registration Acts, where required.

3.3 PUBLIC WORKS CONTRACTOR REGISTRATION ACT

The New Jersey Public Works Contractor Registration Act requires all contractors, subcontractors and lower tier subcontractor(s) who engage in any contract for public work as defined in N.J.S.A. 34:11-56.26 be first registered with the New Jersey Department of Labor and Workforce Development pursuant to N.J.S.A. 34:11-56.51. Any questions regarding the registration process should be directed to the Division of Wage and Hour Compliance.

3.4 PUBLIC WORKS CONTRACT - ADDITIONAL AFFIRMATIVE ACTION REQUIREMENTS

N.J.S.A. 10:2-1 requires that during the performance of this contract, the contractor must agree as follows:

- A. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- B. No contractor, subcontractor, nor any person on his/her behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- C. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- D. This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.

N.J.S.A. 10:5-33 and N.J.A.C. 17:27-3.5 require that during the performance of this contract, the contractor must agree as follows:

- A. The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. 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 compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause;
- B. The contractor or subcontractor, where applicable 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 age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex;
- C. The contractor or subcontractor where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment, N.J.A.C. 17:27-3.7 requires all contractors and subcontractors, if any, to further agree as follows:
 1. The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2;
 2. The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices;
 3. The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions; and
 4. In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

3.5 BUILDING SERVICE

Pursuant to N.J.S.A. 34:11-56.58 et seq., in any contract for building services, as defined in N.J.S.A. 34:11-56.59, the employees of the contractor

or subcontractors shall be paid prevailing wage for building services rates, as defined in N.J.S.A. 34:11.56.59. The prevailing wage shall be adjusted annually during the term of the contract.

3.6 THE WORKER AND COMMUNITY RIGHT TO KNOW ACT

The provisions of N.J.S.A. 34:5A-1 et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the statute.

3.7 SERVICE PERFORMANCE WITHIN U.S.

Under N.J.S.A. 52:34-13.2, all contracts primarily for services awarded by the Director shall be performed within the United States, except when the Director certifies in writing a finding that a required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer.

A shift to performance of services outside the United States during the term of the contract shall be deemed a breach of contract. If, during the term of the contract, the contractor or subcontractor, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract, which contract shall be subject to termination for cause pursuant to Section 5.7(b) (1) of the Standard Terms and Conditions, unless previously approved by the Director and the Treasurer.

3.8 BUY AMERICAN

Pursuant to N.J.S.A. 52:32-1, if manufactured items or farm products will be provided under this contract to be used in a public work, they shall be manufactured or produced in the United States, whenever available, and the contractor shall be required to so certify.

3.9 DOMESTIC MATERIALS

Pursuant to N.J.S.A. 52:33-2 et seq., if the contract is for the construction, alteration or repair of any public work, the contractor and all subcontractors shall use only domestic materials in the performance of the work unless otherwise noted in the specifications.

3.10 DIANE B. ALLEN EQUAL PAY ACT

Pursuant to N.J.S.A. 34:11-56.14 and N.J.A.C. 12:10-1.1 et seq., a contractor performing "qualifying services" or "public work" to the State or any agency or instrumentality of the State shall provide the Commissioner of Labor and Workforce Development a report regarding the compensation and hours worked by employees categorized by gender, race, ethnicity, and job category. For more information and report templates see <https://nj.gov/labor/equalpay/equalpay.html>.

3.11 EMPLOYEE MISCLASSIFICATION

In accordance with [Governor Murphy's Executive Order #25](#) and the [Task Force's July 2019 Report](#), employers are required to properly classify their employees. Workers are presumed to be employees and not independent contractors, unless the employer can demonstrate all three factors of the "ABC Test" below:

- A. Such individual has been and will continue to be free from control or direction of the performance of such service, but under his or her contract of service and in fact; and
- B. Such service is either outside the usual course of business for which such service is performed, or that such service is performed outside of all places of business of the enterprise for which such service is performed; and
- C. Such individual is customarily engaged in an independently established trade, occupation, profession or business.

This test has been adopted by New Jersey under its Wage & Hour, Wage Payment and Unemployment Insurance Laws to determine whether a worker is properly classified. Under N.J.S.A. 34:1A-1.17-1.19, the Department of Labor and Workforce Development has the authority to investigate potential violations of these laws and issue penalties and stop work order to employers found to be in violation of the laws.

3.12 CYBERSECURITY INCIDENT REPORTING REQUIREMENT

Pursuant to N.J.S.A. 52:17B-193.2 et seq. (P.L.2023, c.19), Contractors that have access to, or host the State's network(s), system(s), application(s), or information shall report Cybersecurity Incidents to the New Jersey Office of Homeland Security and Preparedness (NJ OHSP) at <https://www.cyber.nj.gov/report/> within 72 hours of when the Contractor reasonably believes that a Cybersecurity Incident has occurred.

Consistent with N.J.S.A. 52:17B-193.2, "Cybersecurity Incident" means a malicious or suspicious event occurring on or conducted through a computer network that jeopardizes the integrity, confidentiality, or availability of an information system or the information the system processes, stores, or transmits.

Consistent with N.J.S.A. 52:17B-193.3(f), any Cybersecurity Incident notification submitted to the NJ OHSP shall be deemed confidential, non-public, and not subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.), commonly known as the New Jersey Open Public Records Act, as amended and supplemented, and may not be discoverable in any civil or criminal action or subject to subpoena, unless the subpoena is issued by the New Jersey State Legislature and deemed necessary for the purposes of legislative oversight.

This reporting required by N.J.S.A. 52:17B-193.2 et seq. (P.L.2023, c.19) to NJ OHSP is in addition to the Contractor's responsibility to report Security Incidents as may be set forth in Contract Scope of Work or the Waivered Contracts Supplement to the State of New Jersey Terms and

Conditions. If the Waivered Contracts Supplement is not made part of the contract and a notification period is not specified in the Contract Scope of Work, the Contractor shall give notice of the Cybersecurity Incident to the Using Agency as soon as practicable, but no less than one business day, after the Contractor reasonably believes that a Cyber Security Incident has occurred.

4.0 INDEMNIFICATION AND INSURANCE

4.1 INDEMNIFICATION

The contractor's liability to the State and its employees in third party suits shall be as follows:

- A. Indemnification for Third Party Claims - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract, including liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract;
- B. The contractor's indemnification and liability under subsection (A) is not limited by, but is in addition to the insurance obligations contained in Section 4.2 of these Terms and Conditions; and
- C. In the event of a patent and copyright claim or suit, the contractor, at its option, may: (1) procure for the State of New Jersey the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.

4.2 INSURANCE

The contractor shall secure and maintain in force for the term of the contract insurance as provided herein. All required insurance shall be provided by insurance companies with an A-VIII or better rating by A.M. Best & Company. All policies must be endorsed to provide 30 days' written notice of cancellation or material change to the State of New Jersey at the address shown below. If the contractor's insurer cannot provide 30 days written notice, then it will become the obligation of the contractor to provide the same. The contractor shall provide the State with current certificates of insurance for all coverages and renewals thereof. Renewal certificates shall be provided within 30 days of the expiration of the insurance. The contractor shall not begin to provide services or goods to the State until evidence of the required insurance is provided. The certificates of insurance shall indicate the contract number or purchase order number and title of the contract in the Description of Operations box and shall list the State of New Jersey, Department of the Treasury, Division of Purchase & Property, Contract Compliance & Audit Unit, P.O. Box 236, Trenton, New Jersey 08625 in the Certificate Holder box. The certificates and any notice of cancelation shall be emailed to the State at: ccau.certificate@treas.nj.gov

The insurance to be provided by the contractor shall be as follows:

- A. Occurrence Form Commercial General Liability Insurance or its equivalent: The minimum limit of liability shall be \$1,000,000 per occurrence as a combined single limit for bodily injury and property damage. The above required Commercial General Liability Insurance policy or its equivalent shall name the State, its officers, and employees as "Additional Insureds" and include the blanket additional insured endorsement or its equivalent. The coverage to be provided under these policies shall be at least as broad as that provided by the standard basic Commercial General Liability Insurance occurrence coverage forms or its equivalent currently in use in the State of New Jersey, which shall not be circumscribed by any endorsement limiting the breadth of coverage;
- B. Automobile Liability Insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1,000,000 per occurrence as a combined single limit. The State must be named as an "Additional Insured" and a blanket additional insured endorsement or its equivalent must be provided when the services being procured involve vehicle use on the State's behalf or on State controlled property;
- C. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than:
 1. \$1,000,000 BODILY INJURY, EACH OCCURRENCE;
 2. \$1,000,000 DISEASE EACH EMPLOYEE; and
 3. \$1,000,000 DISEASE AGGREGATE LIMIT.

This \$1,000,000 amount may be raised when deemed necessary by the Director;

In the case of a contract entered into pursuant to N.J.S.A. 52:32-17 et seq., (small business set asides) the minimum amount of insurance coverage in subsections A, B, and B. above may be amended for certain commodities when deemed in the best interests of the State by the Director.

5.0 TERMS GOVERNING ALL CONTRACTS

5.1 CONTRACTOR IS INDEPENDENT CONTRACTOR

The contractor's status shall be that of any independent contractor and not as an employee of the State.

5.2 FORCE MAJEURE

Neither party will be liable to the other for any delay or inability to perform its obligations if such delay or inability arises from any act of God, fire,

natural disaster, act of war (declared or undeclared), act of terrorism (domestic or international), riot, civil disturbance, pandemic or other public health crisis (arising during the term of the contract) In the event of such a delay or inability to perform, the time for performance will be extended by an amount reasonable under the specific circumstances and mutually agreed-upon date sufficient to allow Vendor to perform the work delayed by the force majeure.

5.3 CONTRACT TERM AND EXTENSION OPTION

If, in the opinion of the Director, it is in the best interest of the State to extend a contract, the contractor shall be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the term and period of performance of the contract. If the contractor agrees to the extension, all terms and conditions of the original contract shall apply unless more favorable terms for the State have been negotiated.

5.4 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any deliverable, task or subtask called for under this contract. In such an event, the Director shall provide to the contractor advance written notice of the change in scope of work and what the Director believes should be the corresponding adjusted contract price. Within five (5) business days of receipt of such written notice, if either is applicable:

- A. If the contractor does not agree with the Director's proposed adjusted contract price, the contractor shall submit to the Director any additional information that the contractor believes impacts the adjusted contract price with a request that the Director reconsider the proposed adjusted contract price. The parties shall negotiate the adjusted contract price. If the parties are unable to agree on an adjusted contract price, the Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the final adjusted contract price; and
- B. If the contractor has undertaken any work effort toward a deliverable, task or subtask that is being changed or eliminated such that it would not be compensated under the adjusted contract, the contractor shall be compensated for such work effort according to the applicable portions of its price schedule and the contractor shall submit to the Director an itemization of the work effort already completed by deliverable, task or subtask within the scope of work, and any additional information the Director may request. The Director shall make a prompt decision taking all such information into account, and shall notify the contractor of the compensation to be paid for such work effort.

Any changes or modifications to the terms of this Contract shall be valid only when they have been reduced to writing and signed by the Contractor and the Director.

5.5 CHANGE IN LAW

If, after award, a change in applicable law or regulation occurs which affects the Contract, the parties may amend the Contract, whether including new work required by the change in law or to eliminate work no longer required by the change in law along with a commensurate price change. The parties shall negotiate the terms of the change in good faith, however if agreement is not possible after reasonable efforts, the Director shall make a prompt decision taking all relevant information into account, and shall notify the Contractor of the final adjusted scope of work and contract price.

5.6 SUSPENSION OF WORK

The State may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid for goods ordered, goods delivered, or services requested and performed until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance.

5.7 TERMINATION OF CONTRACT

- A. For Convenience:
Notwithstanding any provision or language in this contract to the contrary, the Director may terminate this contract at any time, in whole or in part, for the convenience of the State, upon no less than 30 days written notice to the contractor;
- B. For Cause:
 1. Where a contractor fails to perform or comply with a contract or a portion thereof, and/or fails to comply with the complaints procedure in N.J.A.C. 17:12-4.2 et seq., the Director may terminate the contract, in whole or in part, upon ten (10) days' notice to the contractor with an opportunity to respond; and
 2. Where in the reasonable opinion of the Director, a contractor continues to perform a contract poorly as demonstrated by e.g., formal complaints, late delivery, poor performance of service, short-shipping, so that the Director is required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq., and there has been a failure on the part of the contractor to make progress towards ameliorating the issue(s) or problem(s) set forth in the complaint, the Director may terminate the contract, in whole or in part, upon ten (10) days' notice to the contractor with an opportunity to respond.
- C. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond; and
- D. In the event of termination under this section, the contractor shall be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

5.8 SUBCONTRACTING

The Contractor may not subcontract other than as identified in the contractor's proposal without the prior written consent of the Director. Such

consent, if granted in part, shall not relieve the contractor of any of his/her responsibilities under the contract, nor shall it create privity of contract between the State and any subcontractor. If the contractor uses a subcontractor to fulfill any of its obligations, the contractor shall be responsible for the subcontractor's: (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws. Nothing contained in any of the contract documents, shall be construed as creating any contractual relationship between any subcontractor and the State.

5.9 RESERVED

5.10 MERGERS, ACQUISITIONS AND ASSIGNMENTS

If, during the term of this contract, the contractor shall merge with or be acquired by another firm, the contractor shall give notice to the Director as soon as practicable and in no event longer than 30 days after said merger or acquisition. The contractor shall provide such documents as may be requested by the Director, which may include but need not be limited to the following: corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices; updated information including ownership disclosure and Federal Employer Identification Number. The documents must be submitted within 30 days of the request. Failure to do so may result in termination of the contract for cause.

If, at any time during the term of the contract, the contractor's partnership, limited liability company, limited liability partnership, professional corporation, or corporation shall dissolve, the Director must be so notified. All responsible parties of the dissolved business entity must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment shall be made until all parties to the dissolved business entity submit the required documents to the Director.

The contractor may not assign its responsibilities under the contract, in whole or in part, without the prior written consent of the Director.

5.11 PERFORMANCE GUARANTEE OF CONTRACTOR

The contractor hereby certifies that:

- A. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice;
- B. All equipment supplied to the State and operated by electrical current is UL listed where applicable;
- C. All new machines are to be guaranteed as fully operational for the period stated in the contract from time of written acceptance by the State. The contractor shall render prompt service without charge, regardless of geographic location;
- D. Sufficient quantities of parts necessary for proper service to equipment shall be maintained at distribution points and service headquarters;
- E. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice;
- F. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract; and
- G. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

5.12 DELIVERY REQUIREMENTS

- A. Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the contract;
- B. The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice;
- C. Items delivered must be strictly in accordance with the contract; and
- D. In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the contract, the using agency shall be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor.

5.13 APPLICABLE LAW AND JURISDICTION

This contract and any and all litigation arising therefrom or related thereto shall be governed by the applicable laws, regulations and rules of evidence of the State of New Jersey without reference to conflict of laws principles and shall be filed in the appropriate Division of the New Jersey Superior Court.

5.14 CONTRACT AMENDMENT

Except as provided herein, the contract may only be amended by written agreement of the State and the contractor.

5.15 MAINTENANCE OF RECORDS AND AUDITS

- A. Pursuant to N.J.A.C. 17:44-2.2, the contractor shall maintain all documentation related to products, transactions or services under this contract for a period of five (5) years from the date of final payment. Such records shall be made available to the New Jersey Office of the State Comptroller upon request.
- B. The State may request, receive, review, and audit copies of any and all records and documents related to a State contract at any time. The Contractor shall make a good faith effort to cooperate with the request and upon receipt of the request, the Contractor shall promptly provide

the requested records and documents free of charge in the time, place, and manner specified. Failure of the contractor to comply with the request or the audit may be used by the State to establish contract non-compliance, to take any action, or seek any remedy available under the contract, at law, or in equity.

5.16 ASSIGNMENT OF ANTITRUST CLAIM(S)

The contractor recognizes that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the ultimate purchaser. Therefore, and as consideration for executing this contract, the contractor, acting herein by and through its duly authorized agent, hereby conveys, sells, assigns, and transfers to the State of New Jersey, for itself and on behalf of its political subdivisions and public agencies, all right, title and interest to all claims and causes of action it may now or hereafter acquire under the antitrust laws of the United States or the State of New Jersey, relating to the particular goods and services purchased or acquired by the State of New Jersey or any of its political subdivisions or public agencies pursuant to this contract.

In connection with this assignment, the following are the express obligations of the contractor:

- A. It shall take no action that will in any way diminish the value of the rights conveyed or assigned hereunder;
- B. It shall advise the Attorney General of New Jersey:
 - 1. In advance of its intention to commence any action on its own behalf regarding any such claim or cause(s) of action; and
 - 2. Immediately upon becoming aware of the fact that an action has been commenced on its behalf by some other person(s) of the pendency of such action.
- C. It shall notify the defendants in any antitrust suit of the within assignment at the earliest practicable opportunity after the contractor has initiated an action on its own behalf or becomes aware that such an action has been filed on its behalf by another person. A copy of such notice shall be sent to the Attorney General of New Jersey; and
- D. It is understood and agreed that in the event any payment under any such claim or cause of action is made to the contractor, it shall promptly pay over to the State of New Jersey the allotted share thereof, if any, assigned to the State hereunder.

5.17 NEWS RELEASES

The Contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this Contract without the prior written consent of the Director.

5.18 ADVERTISING

The Contractor shall not use the State's name, seal, or logos as a part of any commercial advertising without first obtaining the prior written consent of the New Jersey Secretary of State. The Contractor shall not use a Department or Using Agency's name, seal, logos, images, or any data or results arising from this Contract as a part of any commercial advertising without first obtaining the prior written consent of the Department.

5.19 ORGAN DONATION

As required by N.J.S.A. 52:32-33.1, the State encourages the contractor to disseminate information relative to organ donation and to notify its employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees should be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. 1320b-8 to serve in this State.

5.20 LICENSES AND PERMITS

The Contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this Contract. Notwithstanding the requirements of the Bid Solicitation, the Contractor shall supply the State Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to this Contract award. All costs associated with any such licenses, permits, and authorizations must be considered by the Contractor in its Quote.

5.21 CLAIMS AND REMEDIES

- A. All claims asserted against the State by the Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.
- B. Nothing in this Contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.
- C. In the event that the Contractor fails to comply with any material Contract requirements, the Director may take steps to terminate this Contract in accordance with the SSTC, authorize the delivery of Contract items by any available means, with the difference between the price paid and the defaulting Contractor's price either being deducted from any monies due the defaulting Contractor or being an obligation owed the State by the defaulting Contractor, as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

5.22 ACCESSIBILITY COMPLIANCE

The Contractor acknowledges that the State may be required to comply with the accessibility standards of Section 508 of the Rehabilitation Act, 29 U.S.C. §794. The Contractor agrees that any information that it provides to the State in the form of a Voluntary Product Accessibility Template (VPAT) about the accessibility of the Software is accurate to a commercially reasonable standard and the Contractor agrees to provide the State with technical information available to support such VPAT documentation in the event that the State relied on any of Contractor's VPAT information to comply with the accessibility standards of Section 508 of the Rehabilitation Act, 29 U.S.C. §794. In addition, Contractor shall defend any claims

against the State that the Software does not meet the accessibility standards set forth in the VPAT provided by Provider in order to comply with the accessibility standards of Section 508 of the Rehabilitation Act, 29 U.S.C. §794 and will indemnify the State with regard to any claim made against the State with regard to any judgment or settlement resulting from those claims to the extent the Provider's Software provided under this Contract was not accessible in the same manner as or to the degree set forth in the Contractor's statements or information about accessibility as set forth in the then-current version of an applicable VPAT.

5.23 CONFIDENTIALITY

- A. The obligations of the State under this provision are subject to the New Jersey Open Public Records Act ("OPRA"), N.J.S.A. 47:1A-1 et seq., the New Jersey common law right to know, and any other lawful document request or subpoena;
- B. By virtue of this Contract, the parties may have access to information that is confidential to one another. The parties agree to disclose to each other only information that is required for the performance of their obligations under this Contract. Contractor's Confidential Information, to the extent not expressly prohibited by law, shall consist of all information clearly identified as confidential at the time of disclosure Vendor Intellectual Property ("Contractor Confidential Information"). Notwithstanding the previous sentence, the terms and pricing of this Contract are subject to disclosure under OPRA, the common law right to know, and any other lawful document request or subpoena;
- C. The State's Confidential Information shall consist of all information or data contained in documents supplied by the State, any information or data gathered by the Contractor in fulfillment of the Contract and any analysis thereof (whether in fulfillment of the Contract or not);
- D. A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party, except that if the information is personally identifying to a person or entity regardless of whether it has become part of the public domain through other means, the other party must maintain full efforts under the Contract to keep it confidential; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party;
- E. The State agrees to hold Contractor's Confidential Information in confidence, using at least the same degree of care used to protect its own Confidential Information;
- F. In the event that the State receives a request for Contractor Confidential Information related to this Contract pursuant to a court order, subpoena, or other operation of law, the State agrees, if permitted by law, to provide Contractor with as much notice, in writing, as is reasonably practicable and the State's intended response to such order of law. Contractor shall take any action it deems appropriate to protect its documents and/or information;
- G. In addition, in the event Contractor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, Contractor shall, if permitted by law, provide the State with as much notice, in writing, as is reasonably practicable and Contractor's intended response to such order of law. The State shall take any action it deems appropriate to protect its documents and/or information; and
- H. Notwithstanding the requirements of nondisclosure described in this Section, either party may release the other party's Confidential Information:
 - (i) if directed to do so by a court or arbitrator of competent jurisdiction; or
 - (ii) pursuant to a lawfully issued subpoena or other lawful document request:
 - (a) in the case of the State, if the State determines the documents or information are subject to disclosure and Contractor does not exercise its rights as described in Section 5.23(F), or if Contractor is unsuccessful in defending its rights as described in Section 5.23(F); or
 - (b) in the case of Contractor, if Contractor determines the documents or information are subject to disclosure and the State does not exercise its rights described in Section 5.23(G), or if the State is unsuccessful in defending its rights as described in Section 5.23(G).

6.0 TERMS RELATING TO PRICE AND PAYMENT

6.1 PRICE FLUCTUATION DURING CONTRACT

Unless otherwise agreed to in writing by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract. In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director must be notified, in writing, of any price reduction within five (5) days of the effective date. Failure to report price reductions may result in cancellation of contract for cause, pursuant to provision 5.7(b)1.

In an exceptional situation the State may consider a price adjustment. Requests for price adjustments must include justification and documentation.

6.2 TAX CHARGES

The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

6.3 PAYMENT TO VENDORS

- A. The using agency(ies) is (are) authorized to order and the contractor is authorized to ship only those items covered by the contract

resulting from the RFP. If a review of orders placed by the using agency(ies) reveals that goods and/or services other than that covered by the contract have been ordered and delivered, such delivery shall be a violation of the terms of the contract and may be considered by the Director as a basis to terminate the contract and/or not award the contractor a subsequent contract. The Director may take such steps as are necessary to have the items returned by the agency, regardless of the time between the date of delivery and discovery of the violation. In such event, the contractor shall reimburse the State the full purchase price;

- B. The contractor must submit invoices to the using agency with supporting documentation evidencing that work or goods for which payment is sought has been satisfactorily completed or delivered. For commodity contracts, the invoice, together with the Bill of Lading, and/or other documentation to confirm shipment and receipt of contracted goods must be received by the using agency prior to payment. For contracts featuring services, invoices must reference the tasks or subtasks detailed in the Scope of Work and must be in strict accordance with the firm, fixed prices submitted for each task or subtask. When applicable, invoices should reference the appropriate task or subtask or price line number from the contractor's proposal. All invoices must be approved by the State Contract Manager or using agency before payment will be authorized;
- C. In all time and materials contracts, the State Contract Manager or designee shall monitor and approve the hours of work and the work accomplished by contractor and shall document both the work and the approval. Payment shall not be made without such documentation. A form of timekeeping record that should be adapted as appropriate for the Scope of Work being performed can be found at www.nj.gov/treasury/purchase/forms/Vendor_Timesheet.xls; and
- D. The contractor shall provide, on a monthly and cumulative basis, a breakdown in accordance with the budget submitted, of all monies paid to any small business, minority or woman-owned subcontractor(s). This breakdown shall be sent to the Office of Diversity and Inclusion.
- E. The Contractor shall have sole responsibility for all payments due any Subcontractor

6.4 OPTIONAL PAYMENT METHOD: P-CARD

The State offers contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State agency's use of the p-card are optional. P-card transactions do not require the submission of a contractor invoice; purchasing transactions using the p-card will usually result in payment to a contractor in three (3) days. A contractor should take note that there will be a transaction-processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the MasterCard. Additional information can be obtained from banks or merchant service companies.

6.5 NEW JERSEY PROMPT PAYMENT ACT

The New Jersey Prompt Payment Act, N.J.S.A. 52:32-32 et seq., requires state agencies to pay for goods and services within 60 days of the agency's receipt of a properly executed State Payment Voucher or within 60 days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the State prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest shall not be paid until it exceeds \$5.00 per properly executed invoice. Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

6.6 AVAILABILITY OF FUNDS

The State's obligation to make payment under this contract is contingent upon the availability of appropriated funds and receipt of revenues from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless and until funds are appropriated each fiscal year to the using agency by the State Legislature and made available through receipt of revenue.

7.0 TERMS RELATING TO ALL CONTRACTS FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS

The provisions set forth in this Section of the Standard Terms and Conditions apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317.

7.1 CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS.

Pursuant to 2 CFR 200.321, the State must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Accordingly, if subawards are to be made the Contractor shall:

- (1) Include qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and,
- (5) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

7.2 DOMESTIC PREFERENCE FOR PROCUREMENTS

Pursuant to 2 CFR 200.322, where appropriate, the State has a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). If subawards are to be made the Contractor shall include a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United

States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). For purposes of this section:

- (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- (2) "Manufactured products" means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

7.3 PROCUREMENT OF RECOVERED MATERIALS

Where applicable, in the performance of contract, pursuant to 2 CFR 200.323, the 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.

To the extent that the scope of work or specifications in the contract requires the contractor to provide recovered materials the scope of work or specifications are modified to require that as follows.

- i. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 1. Competitively within a timeframe providing for compliance with the contract performance schedule;
 2. Meeting contract performance requirements; or
 3. At a reasonable price.
- ii. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- iii. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

7.4 EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." See, 2 CFR Part 200, Appendix II, para. C.

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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 compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (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, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives 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.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her 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.

- (7) 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 canceled, 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 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) 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 11246 of September 24, 1965, 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 administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

7.5 DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$ 2,000 shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. Additionally, contractors are required to pay wages not less than once a week.

7.6 COPELAND ANTI-KICK-BACK ACT

Where applicable, the Contractor must comply with Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States").

- a. Contractor. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into the OGS centralized contract.
- b. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- c. Breach. A breach of the clauses above may be grounds for termination of the OGS centralized contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

7.7 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$ 100,000 that involve the employment of mechanics or laborers must comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The unauthorized user shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

7.8 RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient 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.

7.9 CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Where applicable, Contract and subgrants of amounts in excess of \$150,000, must comply with the following:

Clean Air Act

- 7.9.1.1 The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- 7.9.1.2 The contractor agrees to report each violation to the Division of Purchase and Property and understands and agrees that the Division of Purchase and Property will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- 7.9.1.3 The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the Division of Purchase and Property and understands and agrees that the Division of Purchase and Property will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

7.10 DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by the State or authorized user. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State or authorized user, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

7.11 BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or 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. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

7.12 PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

- (a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:
 - (1) Procure or obtain;
 - (2) Extend or renew a contract to procure or obtain; or
 - (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in *Public Law 115–232*, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - (i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - (ii) Telecommunications or video surveillance services provided by such entities or using such equipment.
 - (iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

EXHIBIT A - GOODS, GENERAL SERVICE AND PROFESSIONAL SERVICES CONTRACTS

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.A.C. 17:27 et seq.

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity 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 compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable 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 age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

- Letter of Federal Affirmative Action Plan Approval;
- Certificate of Employee Information Report; or
- Employee Information Report Form AA302 (electronically provided by the Division and distributed to the public agency through the Division's website at http://www.state.nj.us/treasury/contract_compliance).

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase an Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase an Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1 et seq.

EXHIBIT B - CONSTRUCTION CONTRACTS

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

N.J.S.A. 10:5-31 et seq. (P.L. 1975, c. 127)

N.J.S.A. 10:5-39 et seq. (P.L. 1983, c. 197)

N.J.A.C. 17:27-1.1 et seq.

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, up grading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable 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 age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

N.J.S.A. 10:5-39 et seq. requires contractors, subcontractors, and permitted assignees performing construction, alteration, or repair of any building or public work in excess of \$250,000 to guarantee equal employment opportunity to veterans.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

When hiring or scheduling workers in each construction trade, the contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with the targeted employment goal prescribed by N.J.A.C. 17:27-7.2; provided, however, that the Dept. of LWD, Construction EEO Monitoring Program may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed by the following provisions, A, B and C, as long as the Dept. of LWD, Construction EEO Monitoring Program is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Dept. of LWD, Construction EEO Monitoring Program, that its percentage of active "card carrying" members who are minority and women workers is equal to or greater than the targeted employment goal established in accordance with N.J.A.C. 17:27-7.2. The contractor or subcontractor agrees that a good faith effort shall include compliance with the following procedures:

- (A) If the contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the contractor or subcontractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as supplemented and amended from time to time and the Americans with Disabilities Act. If the contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to the commencement of construction work, the contractor or subcontractor agrees to afford equal employment opportunities minority and women workers directly, consistent with this chapter. If the contractor's or subcontractor's prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with affording equal employment opportunities as specified in this chapter, the contractor or subcontractor agrees to be prepared to provide such opportunities to minority and women workers directly, consistent with this chapter, by complying with the hiring or scheduling procedures prescribed under (B) below; and the contractor or subcontractor further agrees to take said action immediately if it determines that the union is not referring minority and women workers consistent with the equal employment opportunity goals set forth in this chapter.
- (B) If good faith efforts to meet targeted employment goals have not or cannot be met for each construction trade by adhering to the procedures of (A) above, or if the contractor does not have a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor agrees to take the following actions:
 - (1) To notify the public agency compliance officer, the Dept. of LWD, Construction EEO Monitoring Program, and minority and women referral organizations listed by the Division pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;

- (2) To notify any minority and women workers who have been listed with it as awaiting available vacancies;
 - (3) Prior to commencement of work, to request that the local construction trade union refer minority and women workers to fill job openings, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade;
 - (4) To leave standing requests for additional referral to minority and women workers with the local construction trade union, provided the contractor or subcontractor has a referral agreement or arrangement with a union for the construction trade, the State Training and Employment Service and other approved referral sources in the area;
 - (5) If it is necessary to lay off some of the workers in a given trade on the construction site, layoffs shall be conducted in compliance with the equal employment opportunity and non-discrimination standards set forth in this regulation, as well as with applicable Federal and State court decisions;
 - (6) To adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:
 - (i) The contractor or subcontractor shall interview the referred minority or women worker.
 - (ii) If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall in good faith determine the qualifications of such individuals. The contractor or subcontractor shall hire or schedule those individuals who satisfy appropriate qualification standards in conformity with the equal employment opportunity and non-discrimination principles set forth in this chapter. However, a contractor or subcontractor shall determine that the individual at least possesses the requisite skills, and experience recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the Dept. of LWD, Construction EEO Monitoring Program. If necessary, the contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of the requirements, however, are limited by the provisions of (C) below.
 - (iii) The name of any interested women or minority individual shall be maintained on a waiting list, and shall be considered for employment as described in (i) above, whenever vacancies occur. At the request of the Dept. of LWD, Construction EEO Monitoring Program, the contractor or subcontractor shall provide evidence of its good faith efforts to employ women and minorities from the list to fill vacancies.
 - (iv) If, for any reason, said contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the public agency compliance officer and to the Dept. of LWD, Construction EEO Monitoring Program.
 - (7) To keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the Dept. of LWD, Construction EEO Monitoring Program and submitted promptly to the Dept. of LWD, Construction EEO Monitoring Program upon request.
- (C) The contractor or subcontractor agrees that nothing contained in (B) above shall preclude the contractor or subcontractor from complying with the union hiring hall or apprenticeship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the exclusion of minorities and women or the failure to refer minorities and women consistent with the targeted county employment goal, the contractor or subcontractor shall consider for employment persons referred pursuant to (B) above without regard to such agreement or arrangement; provided further, however, that the contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey worker ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, the contractor or subcontractor agrees that, in implementing the procedures of (B) above, it shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union.

After notification of award, but prior to signing a construction contract, the contractor shall submit to the public agency compliance officer and the Dept. of LWD, Construction EEO Monitoring Program an initial project workforce report (Form AA-201) electronically provided to the public agency by the Dept. of LWD, Construction EEO Monitoring Program, through its website, for distribution to and completion by the contractor, in accordance with N.J.A.C. 17:27-7.

The contractor also agrees to submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the Dept. of LWD, Construction EEO Monitoring Program and to the public agency compliance officer.

The contractor agrees to cooperate with the public agency in the payment of budgeted funds, as is necessary, for on the job and/or off the job programs for outreach and training of minorities and women.

- (D) The contractor and its subcontractors shall furnish such reports or other documents to the Dept. of LWD, Construction EEO Monitoring Program as may be requested by the Dept. of LWD, Construction EEO Monitoring Program from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Dept. of LWD, Construction EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq.

EXHIBIT C - EXECUTIVE ORDER NO. 151 REQUIREMENTS

It is the policy of the Division of Purchase and Property that its contracts should create a workforce that reflects the diversity of the State of New Jersey. Therefore, contractors engaged by the Division of Purchase and Property to perform under a construction contract shall put forth a good faith effort to engage in recruitment and employment practices that further the goal of fostering equal opportunities to minorities and women.

The contractor must demonstrate to the Division of Purchase and Property's satisfaction that a good faith effort was made to ensure that minorities and women have been afforded equal opportunity to gain employment under the Division of Purchase and Property's contract with the contractor. Payment may be withheld from a contractor's contract for failure to comply with these provisions.

Evidence of a "good faith effort" includes, but is not limited to:

1. The Contractor shall recruit prospective employees through the State Job bank website, managed by the Department of Labor and Workforce Development, available online at <https://newjersey.usnlx.com/>;
2. The Contractor shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;
3. The Contractor shall actively solicit and shall provide the Division of Purchase and Property with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media; and
4. The Contractor shall provide evidence of efforts described at 2 above to the Division of Purchase and Property no less frequently than once every 12 months.
5. The Contractor shall comply with the requirements set forth at N.J.A.C. 17:27.

This language is in addition to and does not replace good faith efforts requirements for construction contracts required by N.J.A.C. 17:27-3.6, 3.7 and 3.8, also known as Exhibit B.

State of New Jersey Standard Terms and Conditions
(Revised February 8, 2024)

I HEREBY ACCEPT THE TERMS AND CONDITIONS OF THIS CONTRACT

Signature

Date

Print Name and Title

Print Name of Contractor

EXHIBIT B
**The Master Agreement, including
its attachments and exhibits**



NASPO ValuePoint Master Agreement Terms and Conditions For Multi-Function Devices and Related Software, Services and Cloud Solutions

**A Contract for the NASPO ValuePoint Cooperative Purchasing Program
Acting by and through the State of Colorado (Lead State)**

**Department of Personnel & Administration
State Purchasing & Contracts Office
1525 Sherman Street, 5th Floor
Denver, Co 80203**

And

**Lexmark International, Inc.
740 W. New Circle Road
Lexington, KY 40550**

Master Agreement Number: _188733

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MASTER AGREEMENT TERMS AND CONDITIONS

I. Definitions

- 1.1 A4 MFD** – A Multi-function Device which is designed to handle letter, legal and some smaller paper sizes, such as postcards and envelopes. Ledger size paper is NOT an option on this Device.
- 1.2 Acceptance** - A written notice from a Purchasing Entity to Contractor advising Contractor that the Device has passed its Acceptance Testing. Acceptance of a Product for which Acceptance Testing is not required shall occur following the completion of delivery, installation, if required, and a reasonable time for inspection of the Product, unless the Purchasing Entity provides a written notice of rejection to Contractor, as set forth in **section IX** of this Master Agreement.
- 1.3 Accessory** – A compatible item that is added to the Base Unit to enhance its capabilities and functions.
- 1.4 Attachment** – Contractor's Supplemental Documents which consist of the following:
 - 1.5.1** Attachment 1 – Lexmark Sample Customer PO
 - 1.5.2** Attachment 2 – Lexmark Master Lease Agreement Terms and Conditions
 - 1.5.3** Attachment 3 – Lexmark Maintenance Agreement
 - 1.5.4** Attachment 4 – Lexmark Statement of Work Template
 - 1.5.5** Attachment 5 – Lexmark Master Cloud Services Agreement with CFM Schedule
 - 1.5.6** Attachment 6 – Lexmark Software License Agreement Terms and Conditions
 - 1.5.7** Attachment 7 – Lexmark Software Limited Warranty and License Agreement Terms and Conditions
 - 1.5.8** Attachment 8 – Lexmark EULA
 - 1.5.9** Attachment 9 – Lexmark Data Collection and Cookie Notice
 - 1.5.10** Attachment 10 – Lexmark Extended Warranty Terms and Conditions
- 1.5 Authorized Dealer** – The Manufacturer's authorized sales and Service center (also known as a Dealer, Distributor, or Partner) that must be certified by the Manufacturer to sell the Manufacturer's Products, and perform machine installation and maintenance on Devices offered by the Manufacturer. A Purchasing Entity must be able to, at a minimum, visit the sales and service center to view and test Device.
- 1.6 Base Unit** - The copier, printer, Scanner, Large/Wide Format and Production Devices that include all standard Accessories and parts and excludes optional Accessories and/or software.
- 1.7 Blended Rate** - A rate that is derived by taking the b&w and color cost per click rates on one or more Devices and calculating one rate that a customer will be billed for all copies, regardless of Device type and b&w or color output. Allows for simplicity when billing copies run.
- 1.8 Bronze Standard** - Devices which meet less than 50% of the 28 optional EPEAT criteria.
- 1.9 Business Day** – Any day other than Saturday, Sunday, or a legal holiday.
- 1.10 Buyout to Keep** - The early termination option on an FMV or Capital Lease that involves

the acquisition of the Device by the Purchasing Entity, and consists of any current and past due amount, plus the remaining stream of Device Payments.

- 1.11 Buyout to Return** - The early termination option on an FMV, Capital or Straight Lease that involves the return of the Device by the Purchasing Entity to Contractor, in good working condition (ordinary wear and tear excepted), and consists of any current and past due amounts, plus the remaining stream of Device Payments.
- 1.12 Capital Lease** - For the purposes of this Master Agreement, a Capital Lease shall also be referred to as a \$1 Buyout Lease and title of the Device will automatically pass from the Contractor to the Purchasing Entity at the end of the Initial Lease Term, and the Purchasing Entity will not be subject to additional payments in order to assume ownership. However, it will be at the discretion of the Participating State or Entity as to whether other criteria will also be considered, such as a bargain purchase option, a lease term longer than 75% of the estimated economic life of the Device, or the present value of the lease payments is greater than 90% of the fair market value of the Device at the beginning of the Initial Lease Term, or any other legal requirements relating to a Capital Lease.
- 1.13 Ceiling Pricing** - Pricing that is established as a “not-to-exceed” amount; the maximum price Contractor may charge for Products, Services, and Supplies.
- 1.14 Contractor** - 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.
- 1.15 Cotermious** - Two or more leases that end at the same time. The original lease payment is modified to reflect the addition of a new Device or Accessory. The original term of the lease is not modified as a result of a Cotermious addition.
- 1.16 Deliverable** - A Product, Service, solution, result, labor, or other effort being sought through this RFP.
- 1.17 Device** - The Base Unit, either with or without optional Accessories and/or software. May also be referred to as “Equipment.”
- 1.18 Device Downtime** - The period of time that a Device is not operational and is waiting for Service to be completed.
- 1.19 Device Payment** - The Device portion of the payment, less any Service, Supplies, and maintenance.
- 1.20 Device Trade-In** - An agreed upon transaction between the Purchasing Entity and Contractor, in which Contractor takes ownership of Purchasing Entity’s owned Device, often for a discounted amount.
- 1.21 Device Upgrade or Downgrade** - A replacement of the Purchasing Entity’s existing lease Device, with a different Device, of either greater or lesser value. A new lease is then originated for the new Device, with the remaining lease payments on the old Device wrapped into it. The old lease is closed out, and the Device is returned to Contractor.
- 1.22 Electronic Product Environmental Assessment Tool (EPEAT)** - A tool which evaluates and selects Device according to a list of preferred environmental attributes. EPEAT registered means Devices meet the 1680.2 IEEE Standard for Environmental Assessment of Imaging Device, as amended.
- 1.23 Embedded Software** - One or more software applications which permanently reside on a computing Device.
- 1.24 Energy Star** - The U.S. Environmental Protection Agency’s standard for energy efficiency.

- 1.25 Fair Market Value (FMV) Lease** - A lease in which the Purchasing Entity can either 1) Take title to the Device at the end of the Initial Lease Term by paying the residual value to Contractor, 2) Enter into a Renewal Term for the Device, or 3) Return the Device to Contractor at the end of the Initial Lease Term.
- 1.26 Free on Board (FOB) Destination** - Contractor is responsible for transportation and handling charges and the sale does not occur until the Products arrive at the Purchasing Entity's specified location.
- 1.27 Group** - The classification for the different types of Devices solicited in this RFP. Groups are determined by the Devices primary functions and/or capabilities.
- 1.28 Initial Lease Term** - The length of time (i.e. 24, 36, 48, 60 months) that a Purchasing Entity enters into a lease agreement.
- 1.29 Intellectual Property** - 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.
- 1.30 Lead State** - The State centrally administering any resulting Master Agreement(s) who is a party to this Master Agreement.
- 1.31 Legacy Device** – A Device that was purchased or leased, either under a prior NASPO ValuePoint or WSCA Master Agreement, another program, or via any other means.
- 1.32 Maintenance Agreement** - An agreement in which the Contractor provides monthly Service, parts, Supplies, and Preventative Maintenance on purchased or leased Devices.
- 1.33 Managed Print Services (MPS)** - The management, service, and support of the Purchasing Entity's entire enterprise and output infrastructure of printed materials, with the objective of creating a solution that improves the print process and reduces the expense of printed material.
- 1.34 Manufacturer** - A company that, as its primary business function, designs, assembles, and owns the trademark/patent and markets a Device. Also referred to as Contractor.
- 1.35 Manufacturer's Suggested Retail Price (MSRP)** - The list price or recommended retail price of a Product in which the Manufacturer recommends that the retailer sell the Product.
- 1.36 Master Agreement** - The underlying agreement executed by and between the Lead State, acting in cooperation with NASPO ValuePoint, and the Contractor, as now or hereafter amended.
- 1.37 Multi-function Device (MFD)** - A Device which incorporates the functionality of multiple Devices into one, such as print, fax, copy and scan. Each feature can work independently of the other.
- 1.38 NASPO ValuePoint** - 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.
- 1.39 Newly Manufactured** - Devices that have not been Refurbished, Remanufactured, rented, leased, sold, or used in a demonstration, and are currently being marketed by the

Manufacturer.

- 1.40 Normal Business Hours** – Defined as the hours between 8AM and 5PM, Monday through Friday, holidays excluded.
- 1.41 Not Specifically Priced (NSP)** - NSP items enhance or compliment the Device but are not listed in the Master Agreement Price List(s). NSP's may include Coin-Op Equipment, empowering software etc.
- 1.42 OEM** – The Original Equipment Manufacturer.
- 1.43 Order** - Any type of encumbrance document or commitment voucher, including, but not limited to, a purchase order, contract, MPS statement of work, Maintenance Agreement, lease agreement, etc. used by a Purchasing Entity to order the Products and Services.
- 1.44 Participating Addendum** – 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.).
- 1.45 Participating Entity** - 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.
- 1.46 Participating State** - A state that has executed a Participating Addendum or has indicated an intent to execute a Participating Addendum.
- 1.47 Power Filter** - An electronic filter which is placed between an external power line and a Device for the purpose of removing frequencies or electromagnetic interference.
- 1.48 Preventative Maintenance** - The servicing of a Device for the purpose of maintaining a satisfactory operating condition by providing systematic inspection, detection, and correction of failures either before they occur or before they develop into major defects.
- 1.49 Private Label** - Devices that are manufactured by one company and sold under a retailer's brand name.
- 1.50 Product** – Devices, Accessories, parts, software, and/or Supplies provided by Contractor pursuant to the Master Agreement.
- 1.51 Published Price** – The price that is posted on the Manufacturer's website or in their pricing literature (e.g. not the Master Agreement contract price).
- 1.52 Purchasing Entity** - 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.
- 1.53 Refurbished** - A Device which has received extensive maintenance and/or minor repair, including the replacement of all standard parts subject to wear during the normal course of use. For the purpose of this RFP and resulting Master Agreement(s), Refurbished Device shall not have more than 750,000 original copies on it. In addition, Refurbished Device must only contain OEM parts. Refurbished Device must be certified by the Manufacturer.
- 1.54 Remanufactured** - The process of disassembling Devices known to be worn or defective that can be reused or brought up to OEM specification by cleaning, repairing or replacing it in a manufacturing environment and then reassembling and testing it, so that it will operate like a new Device. Remanufactured Device must be certified by the Manufacturer.

- 1.55 Renewal Term** - A lease term that supersedes the Initial Lease Term, and which a Purchasing Entity may enter into upon thirty (30) days prior written notice to Contractor. Each Renewal Term shall not exceed 12 months, the residual value of the Device, or the Useful Life of the Device. Capital Leases are excluded from going into renewal.
- 1.56 Response Time** - The time from when the original Service Call is placed with the Contractor or Authorized Dealer, to when the Service technician arrives at the Purchasing Entity's location.
- 1.57 Segment** - The various speeds that Devices are categorized by.
- 1.58 Services** – The labor required to be performed by Contractor pursuant to the Master Agreement or an Order. Services may include, but are not limited to, maintenance, MPS and software installation.
- 1.59 Service Base Location** - The place of business where the Contractor or Authorized Dealer stores parts and provides training for service technicians.
- 1.60 Service Call** - An on-site Service technician visit due to Device error or malfunction.
- 1.61 Single-function Printer** - An inkjet or laser Device that only prints and is not capable of other functions such as copying, faxing or scanning.
- 1.62 Straight Lease** - A type of agreement in which ownership is not an option and the Total Monthly Payment amount remains firm throughout the Initial Term.
- 1.63 Supplemental Documents** – With the exception of software, end-user and click-wrap agreements, Contractor's Supplemental Documents are the only authorized documents under this Master Agreement and are attached hereto as Attachments.
- 1.64 Supplies** - Consumable items that gets used up or are discarded once used, such as ink cartridges.
- 1.65 Third Party** – A person or entity that may be directly involved, but is not a principal to an arrangement, contract, deal, lawsuit, or transaction.
- 1.66 Total Monthly Payment** - The Device portion of the payment, as well as any Service, Supplies or maintenance, and less any applicable taxes.
- 1.67 Useful Life** - Period during which a Device is expected to be usable for the purpose in which it was manufactured.

II. Parties and Term of the Master Agreement

- 2.1 Parties.** This Master Agreement is entered into by and between the State of Colorado, acting by and through the Department of Personnel & Administration, State Purchasing & Contracts Office (hereinafter called the "Lead State"), and Lexmark International Inc. (hereinafter called "Contractor"), for the procurement of A4 MFD's, Single-function Printers, Software, Consumable Supplies, Managed Print Services, Software Related Services (including cloud-based offerings and web-based fleet management tools), and Specialty Printers as approved per this Master Agreement, for the benefit of Participating States, Entity's, and Purchasing Entities. The Contractor and the Lead State agree to the terms and conditions contained herein.
- 2.2 Initial Term.** The initial term of this Master Agreement is for two (2) years, with an effective date of August 1, 2024. The term of this Master Agreement may be amended beyond the initial term for up to three (3) consecutive one (1) year additional terms, upon the mutual agreement of the Lead State and Contractor, by written Amendment. The total duration of

the Master Agreement, including any extensions, shall not exceed five (5) years.

- 2.3 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.

III. Order of Precedence

- 3.1 Order.** 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 Exhibits;
 - 3.1.3** An Order issued against the Master Agreement;
 - 3.1.4** The Solicitation, RFP-NP-23-001, Multi-Function Devices and Related Software, Services and Cloud Solutions;
 - 3.1.5** Contractor's response to the Solicitation, as revised (if permitted) and accepted by the Lead State; and
 - 3.1.6** Contractor's Supplemental Documents, which are included as Attachments.
- 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. Participating Addenda will not include a term of agreement that exceeds the term of the Master Agreement, nor will it include Products and Services not awarded under the Master Agreement.

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 Authorized Use.** Use of specific NASPO ValuePoint Master Agreements by state

agencies, political subdivisions and other Participating Entities is subject to applicable state law and the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the respective State Chief Procurement Official.

- 4.4 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.
- 4.5 Notice of Participating Addendum.** Contractor shall email a fully executed PDF copy of each Participating Addendum to pa@naspovaluepoint.org to support documentation of participation and posting in appropriate databases.
- 4.6 Eligibility for a Participating Addendum.** Eligible entities who are not states may under some circumstances sign their own Participating Addendum, subject to the consent of the Chief Procurement Official of the state where the entity is located. Coordinate requests for such participation through NASPO ValuePoint. Any permission to participate through execution of a Participating Addendum is not a determination that procurement authority exists; the entity must ensure that they have the requisite procurement authority to execute a Participating Addendum.
- 4.7 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.
- 4.8 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.
- 4.9 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.
- 4.10 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.

5.2.1.1 Contractor will report on all Usage Based Equipment sales, and on Usage Based or Life Cycle Service and Supply sales. This method will no longer require the Contractor to capture the actual Service and Supply revenues that are billed to the customer each month.

5.2.1.2 Industry research has shown close to a 1:1 ratio between sales price on a piece of Equipment and the actual amount of Service and Supply costs required to operate that Equipment over its Useful Life. Therefore, to simplify the reporting process and remove the burden to capture the actual Service and Supply costs, the Contractor may report as follows:

5.2.1.2.1 Purchased Equipment: Contractor shall report the actual amount invoiced (less any taxes) for all Equipment sold under the reporting period (calendar quarter). In addition, the Contractor shall report an additional amount equal to the invoice amount and identified as "Life Cycle Service and Supplies," or an actual amount and identified as "Usage Based Service and Supplies," providing the customer elects to enter into a Maintenance Agreement. Thus, in the Contractor's Detailed Sales Report, for each item sold, there will be two-line items: one for the piece of Equipment, and one for the Life Cycle or Usage Based Service and Supplies. The amount reflected for the Life Cycle Service and Supplies must be equal to the amount of the Equipment.

5.2.1.2.2 Leased Equipment: Contractor may report sales according to the Purchased Equipment methodology described above, or they may report the actual amount invoiced (less any taxes) for the lease during the reporting period (calendar quarter). In addition, the Contractor shall report an additional amount equal to the invoice amount and identified as "Life Cycle Service and Supplies," or an actual amount and identified as "Usage Based Service and Supplies." Thus, in the Contractor's Detailed Sales Report, for each item leased, there will be two-line items: one for the invoice amount to the customer for the Equipment, and

one for the Life Cycle or Usage Based Service and Supplies. The amount reflected for the Life Cycle Service and Supplies must be equal to the amount of the invoiced Equipment.

- 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.** Upon request by NASPO ValuePoint, Contractor shall provide to NASPO ValuePoint tables of customer and Product information and specific attributes thereof for the purpose of standardizing and analyzing reported Sales Data ("Crosswalks"). Customer Crosswalks must include a list of existing and potential Purchasing Entities and identify for each the appropriate customer type as defined by NASPO ValuePoint. Product Crosswalks must include

Contractor's part number or SKU for each Product in Contractor's catalog and identify for each the appropriate Master Agreement category (and subcategory, if applicable), manufacturer part number, product description, eight-digit UNSPSC Class Level commodity code, and (if applicable) EPEAT value and Energy Star rating. Crosswalk requirements and fields may be updated by NASPO ValuePoint with reasonable notice to Contractor and without amendment to this Master Agreement. Contractor shall work in good faith with NASPO ValuePoint to keep Crosswalks updated as Contractor's customer lists and product catalog change.

5.3.5 Executive Summary. Contractor shall, upon request by NASPO ValuePoint, and not more than semiannually, 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 other national cooperative government purchasing 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 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.

- 5.6 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.
- 5.7 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 prices contained in this Master Agreement or offered under this Master Agreement represent the not-to-exceed ("ceiling") price to any Purchasing Entity.
- 6.1.1** MSRP/List Price discount percentages must be guaranteed throughout the term of the Master Agreement, including any renewal terms, however; Contractor may increase its discount percentage at any time. The Lead State must be notified of any such discount percentage increase, and provided with a copy of the new Price List(s).
- 6.1.2** Price Lists received after the 1st day of the new quarter may not be approved for up to thirty (30) days following submission. In addition, errors in Contractor Price Lists may delay the approval process further.
- 6.1.3** Contractor may update their lease rates once per quarter by providing the Lead State with documentation regarding said rate changes. Updates to lease rates will not be permitted until 8/1/2025.
- 6.1.4** Pricing shall remain firm during the first twelve (12) months of the Master Agreement (e.g. 8/1/2024 – 7/31/2025). Contractor may then update their pricing once per calendar year. All requested price increases must be sent to the Lead State and include documentation from Contractor which provides a detailed explanation for the increase. While there will not be any restrictions regarding direct and indirect cost increases, it will be at the Lead State's sole discretion to determine if the requested increase has a direct correlation to the Deliverables being offered under the Master Agreement. Price increases shall be allowed for all Products and all Services, including rate and fee structures on maintenance plans.
- 6.1.5** All approved Price Lists will be submitted by the Lead State to NASPO ValuePoint. Contractor shall then update all applicable websites with the new Price Lists after

the NASPO ValuePoint website has been updated. Contractor is not permitted to send Price List updates directly to NASPO ValuePoint.

6.1.6 All inclusive Cost Per Copy (CPC) programs may be offered upon request by the Participating State or Entity, but pricing must not exceed Master Agreement pricing. Contractor must provide the Participating State or Entity with their pricing breakdown which enables the Participating State or Entity to easily compare the pricing in the CPC structure against the pricing in the Master Agreement.

6.1.7 Contractor may offer state-wide promotional discounts, customer location specific discounts, bulk discounts, or spot discounts. Contractor must notify the Participating State or Entity of special state-wide promotional discounts.

6.1.8 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. **Exhibit A, Statement of Work**, contains Leasing provisions; however, it shall be at the discretion of each Participating State or Entity to accept these terms, reject these terms, or further negotiate the terms with the Contractor, as long as those negotiations don't fall outside the original scope of the RFP or the Master Agreement.

***For example:** The maximum lease term on Group B Devices is 60 months; Contractor is not permitted to offer a lease term in excess of this.*

VII. Ordering

7.1 Order Numbers. 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 Ordering and Invoicing Specifications. At the discretion of the Participating State or Entity, all Orders pursuant to this Master Agreement, may contain the following:

7.6.1 Name of Purchasing Entity;

7.6.2 The name, phone number, and address of Purchasing Entity representative;

7.6.3 Order date;

7.6.4 Description of the Product and/or Service ordered;

7.6.5 Model number;

7.6.6 Price;

7.6.7 The Master Agreement number; and

7.6.8 Any additional information required by the Participating State or Entity.

7.7 Contractor shall have the ability to accept procurement credit cards, and will not assess any additional charges or fees for processing payments via this method.

7.8 At the discretion of the Participating State or Entity, Contractor shall have the ability to provide a centralized billing option.

7.9 Authorized Dealers shall have the ability to invoice a Purchasing Entity directly, unless otherwise specified by a Participating State or Entity.

7.10 With the exception of drop-shipped items, Contractor and/or Authorized Dealers shall not issue an invoice until the Purchasing Entity has confirmed Acceptance, per **section IX**.

- 7.11 Contractor and/or Authorized Dealers may charge the Purchasing Entity a re-stocking fee for any Products that are not accepted. The amount of the fee shall be the lesser of 10% of the purchase price, or \$200.00, unless otherwise specified in a Participating Addendum.
- 7.12 Contractor and/or Authorized Dealers may estimate meter reads if a Purchasing Entity fails to submit the required information within the specified time-frame.
- 7.13 All software Orders shall reference the Manufacturer's most recent release or version of the Product, unless the Purchasing Entity specifically requests a different version.
- 7.14 Contractor, Third-Party leasing companies, and/or Authorized Dealers may bill property tax separately or as otherwise indicated in a Participating Addendum or an Order.
- 7.15 Contractor and/or Authorized Dealers shall have a process in place for resolving disputed invoices, including escalation procedures. In addition, Contractor and/or Authorized Dealers shall have a process in place for issuing refunds or credits due to invoicing errors, as well as over-payments and Product returns.
- 7.16 Internet-based Portal and Electronic Catalogs. If Contractor provides the ability to place an Order through an internet-based portal or electronic catalog, then Contractor shall maintain all necessary hardware, software, backup-capacity and network connections required to operate that internet-based portal or electronic catalog. In addition, Contractor shall adhere to the following requirements:
 - 7.16.1 The internet-based portal or electronic catalog shall clearly designate that the Products are part of the NASPO ValuePoint Master Agreement, and shall link to the Participating State or Entity's designated web location;
 - 7.16.2 All Environmentally Preferable Products (EPP) shall be clearly listed;
 - 7.16.3 If Contractor's electronic catalog will either be hosted on or accessed through the Participating State's eCommerce system, then Contractor shall comply with all policies, procedures and directions from the Participating State or Entity in relation to hosting its catalog on or making its catalog accessible through that system;
 - 7.16.4 All information made available through the Participating State or Entity's eCommerce system is accurate and complies with the Master Agreement and the Participating Addendum; and
 - 7.16.5 Paper catalogs or other digital media catalogs must be supplied to the Participating State or Entity upon request.
- 7.17 **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.
- 7.18 **Substitutions.** If an ordered Product is out-of-stock, Contractor shall notify the Purchasing Entity and request approval before substituting for the out-of-stock item. Contractor's request to substitute shall explain how the substituted Product compares with the out-of-stock item. Any substitute Product offered must be on the Contractor's Master Agreement Price List.
- 7.19 **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.

- 7.20 Supplemental Documents.** All Attachments to this Master Agreement have been reviewed and negotiated by the Lead State only to the extent that they comply with the terms and conditions of RFP-NP-23-001 as well as this Master Agreement. Participating States and Entities are still advised however, to review each Supplemental Document and negotiate the terms and conditions further with Contractor if necessary. It shall be at the discretion of Contractor and Purchasing Entity to determine which Supplemental Documents are appropriate for each Order type. With the exception of any other End User License Agreements (EULA's), clickwrap agreements, and any third party software agreements, which have not been reviewed or negotiated by the Lead State, nor are they attached to this Master Agreement, only the Supplemental Documents attached to this Master Agreement are permitted to be used for any Order placed.

VIII. Shipping and Delivery

- 8.1 Shipping Terms.** All Products must be shipped F.O.B. destination, standard freight pre-paid by the Contractor, to the Purchasing Entity's specified location, unless otherwise indicated in a Participating Addendum.
- 8.1.1** 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 Available Products.** Devices that are in-stock or otherwise not subject to supply-chain shortages or issues, shall be delivered within thirty (30) calendar days after receipt of Order, unless otherwise specified by the Purchasing Entity.
- 8.3 Required Updates.** Contractor shall provide a minimum of semi-monthly updates to the Purchasing Entity regarding the status of all Devices that are, or will be expected to go, on backorder.
- 8.4 Software Installation.** Software related to the Device must be installed within five (5) Business Days of the Device installation, or as otherwise stated in an Order.
- 8.5 Delivery Days and Receiving Hours.** All deliveries shall be made during Normal Business Hours, which may vary for each Purchasing Entity of each Participating State. The Purchasing Entity shall not be responsible for any additional charges should the Contractor fail to observe specific delivery days and receiving hours. The delivery days and delivery hours shall be established by each individual Purchasing Entity upon Order placement.
- 8.6 Inside Deliveries.** All deliveries, with the exception of drop-shipped or desktop Devices, shall be made to the interior location specified by the Purchasing Entity. Specific delivery instructions will be noted on the Order. Any damage to the building interior, scratched walls, damage to the freight elevator, etc., will be the responsibility of the Contractor. If damage does occur, it is the responsibility of the Contractor to immediately notify the Purchasing Entity placing the Order.
- 8.7 Packaging.** Products shall be packaged and labeled so as to satisfy all legal and commercial requirements applicable for use by any Purchasing Entity, and shall include, without limitation and if applicable, OSHA material safety data sheets, and shall conform to all statements made on the label. Packages that cannot be clearly identified may be refused and/or returned at no cost to the Purchasing Entity.

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 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** With the exception of drop-shipped Devices, Purchasing Entity shall confirm delivery, installation and Acceptance of all Devices covered by each purchase or lease Order, by signing a Delivery and Acceptance Certificate (D&A), as referenced in **Exhibit B, Sample D&A Certificate**, which shows Acceptance of the Device(s) and allows Contractor to invoice for the Device(s).
- 9.4** Purchasing Entity agrees to sign and return the D&A to Contractor (which, at mutual agreement, may be done electronically) within five (5) Business Days after any Device is installed, or as otherwise stated in a Participating Addendum.
- 9.5** 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; however, it does not relieve the Contractor of liability for material (nonconformity that substantially impairs value) defects subsequently revealed when Devices are put to use. Acceptance of such Devices may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor shall be liable for any resulting expense incurred by the Purchasing Entity in relation to the preparation and shipping of Devices(s) rejected and returned, or for which Acceptance is revoked.
- 9.6 Inspection.** All Devices 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.
- 9.6.1** Devices 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 substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use.
- 9.6.2** 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 Device rejected and returned, or for which Acceptance is revoked.
- 9.7 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.
- 9.8 Acceptance Testing.** Purchasing Entity may establish a process, in keeping with industry standards, to ascertain whether the Device meets the standard of performance or specifications prior to Acceptance by the Purchasing Entity.

- 9.8.1** The Acceptance Testing period will be thirty (30) calendar days, unless otherwise specified, starting from the day after the Device is delivered or, if installed by Contractor, the day after the Device is installed and Contractor certifies that the Device is ready for Acceptance Testing.
- 9.8.2** If the Device 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.
- 9.8.3** Upon rejection, the Contractor will have fifteen (15) calendar days to cure. If after the cure period, the Device 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 Device 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.
- 9.8.4** Contractor shall pay all costs related to the preparation and shipping of Device returned pursuant to the section.
- 9.8.5** No Device 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** The warranty period shall begin upon Acceptance of the Device, and shall be for a minimum of ninety (90) days for purchase or lease Devices. This warranty shall be extended to all Devices acquired under the Master Agreement, including Remanufactured and/or Refurbished Devices.
- 10.3** Devices that are sold under the resulting Master Agreement will come with the standard features as published on the Manufacturers website, and will not deviate from the stated specifications.
- 10.4** Devices shall be in good working order, free from any defects in material and workmanship, and fit for the ordinary purposes they are intended to serve.
- 10.5** If defects are identified, per mutual agreement of Contractor and the Purchasing Entity, Contractor obligations shall be limited solely to the repair or replacement of Devices proven to be defective upon inspection.
- 10.6** Replacement of Devices shall be on a like-for-like basis and shall be at no cost to the Purchasing Entity.
- 10.7** Repair of defective parts and/or Devices shall be at no cost to the Purchasing Entity.
- 10.8** Upon significant failure of a Device, the warranty period shall commence again for a minimum of ninety (90) days. Significant failure shall be determined by the Participating State.
- 10.9** Contractor warranty obligations shall not apply if:
 - 10.9.1** The Device is installed, wired, modified, altered, or serviced by anyone other than Contractor and/or their Authorized Dealer;

10.9.2 If a defective or non-authorized Accessory, Supply, software, or part is attached to, or used in the Device; and

10.9.3 The Device is relocated to any place where Contractor Services are not available.

10.10 Contractor agrees to perform its Services in a professional manner, consistent with applicable industry standards.

10.11 It will be at the discretion of each Participating State or Entity to negotiate additional warranty requirements with the Contractor.

10.12 Lemon Clause

10.12.1 This clause shall apply to all Devices that are purchased or leased under the Contractor's Master Agreement.

10.12.2 This clause shall not apply if Supplies are used in the Devices that were not manufactured, provided, or authorized by the Contractor.

10.12.3 The application period is thirty-six (36) months from the date of Acceptance.

10.12.4 This clause shall take precedence over any other warranty or Services clauses associated with the Contractor's Master Agreement, or as specified by a Participating State or Entity in their Participating Addendum.

10.12.5 A Purchasing Entity must maintain an uninterrupted Maintenance Agreement on all purchased Devices in order for this clause to apply past the initial ninety (90) day warranty.

10.12.6 Any Device that fails (except due to operator error) to function in accordance with the Manufacturer's published performance specifications, four (4) times in any four (4) week period and/or is subject to recurring related problems, shall be replaced with a new Device that meets or exceeds the requirements of the original Device, at no cost to the Purchasing Entity.

10.13 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.

XI. Equipment Title

11.1 Conveyance of Title. Contractor shall have exclusive title to the Devices being delivered and the Devices shall be free and clear of all liens, encumbrances, and security interests. Title to the Device shall only pass to the Purchasing Entity upon:

11.1.1 Purchasing Entity up-front purchase of the Device;

11.1.2 Purchasing Entity exercising the purchase option at the end of an FMV Lease;

11.1.3 Expiration of a Purchasing Entity's Capital Lease; or

11.1.4 Purchasing Entity has secured Third Party financing and payment is being made directly to the Contractor by the Purchasing Entity.

11.2 Embedded Software. Transfer of title to the Device must include an irrevocable and perpetual license to use any Embedded Software in the Device. If Purchasing Entity subsequently transfers title of the Device to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Device 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, system or method.
- 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** Unless otherwise agreed in a Participating Addendum, Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. 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 Best's 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.
- 13.2** Coverage shall be written on an occurrence basis, except for Cyber Liability, which is written on a claims made basis. The minimum acceptable limits shall be as indicated below, with no deductible for each of the following categories:
- 13.2.1 Commercial General Liability** covering premises operations, 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, \$2 million general aggregate, \$2 million Products and completed operations aggregate and \$50,000 and any one fire. If any aggregate limit is reduced below \$2,000,000 because of claims made or paid, the Contractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the Participating Entity, a certificate or other document satisfactory to the Participating Entity, showing compliance with this provision.
- 13.2.2 Cyber Liability** covering claims and losses with respect to network, internet (Cloud) or other data disclosure risks (such as data breaches, releases of Confidential Information, unauthorized access/use of information, and identity theft) with minimum limits of not less than \$1,000,000 per claim and \$1,000,000 aggregate.
- 13.2.3** Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- 13.2.4 Automobile Liability** covering any auto (including owned, hired and non-owned), with a minimum limit of \$1,000,000 each accident combined single limit.
- 13.3** Contractor shall pay premiums on all insurance policies. Such policies shall also reference this Master Agreement and shall have a condition that the insurer not revoke them until thirty (30) calendar days after notice of intended revocation thereof shall have been given to Purchasing Entity and Participating Entity by the Contractor.
- 13.4** 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:

13.4.1 Includes the Participating States identified in the Request for Proposal as additional insured's, and;

13.4.2 Provides that the Contractor's liability insurance policy shall be primary, with any liability insurance of any Participating State as secondary and noncontributory. Unless otherwise agreed in any Participating Addendum, the Participating Entity's rights and Contractor's obligations are the same as those specified in the first sentence of this subsection. Before performance of any Purchase Order issued after execution of a Participating Addendum authorizing it, the Contractor shall provide to a Purchasing Entity or Participating Entity who requests it the same information described in this subsection.

13.5 Contractor shall furnish to the Lead State, Participating Entity, and, on request, the Purchasing Entity copies of certificates of all required insurance within seven (7) calendar days of the execution of this Master Agreement, the execution of a Participating Addendum, or the Order's effective date and prior to performing any work. The insurance certificate shall provide the following information: the name and address of the insured; name, address, telephone number and signature of the authorized agent; name of the insurance company (authorized to operate in all states); a description of coverage in detailed standard terminology (including policy period, policy number, limits of liability, exclusions and endorsements); and an acknowledgment of the requirement for notice of cancellation. Copies of renewal certificates of all required insurance shall be furnished within fifteen (15) days after any renewal date. These certificates of insurance must expressly indicate compliance with each insurance requirement specified in this section. Failure to provide evidence of coverage may, at sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.

13.6 Coverage and limits shall not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Order.

13.7 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.

13.8 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.

13.9 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.

13.10 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 adequately 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.

14.4 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 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, acts of war

which are beyond that party's reasonable control, pandemics, or epidemics that would negatively impact supply chain distribution. The Lead State may terminate this Master Agreement upon determining such delay or default will reasonably prevent successful performance of the Master Agreement. This clause does not absolve Purchasing Entity of their payment obligations for goods or services received. Past due account charges will not accrue until the conclusion of the Force Majeure event, at which point Contractor shall also be expected to resume their Service obligations.

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 thirty (30) 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; and

14.8.3.5 Suspension of Contractor's performance.

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 laws of the Lead State shall govern the construction and effect of this Master Agreement. Venue for any administrative or judicial action relating to this Master Agreement shall be in the City and County of Denver, Colorado.

14.12.2 The construction and effect of any Participating Addendum or Order against this

Master Agreement shall be governed by and construed in accordance with the laws of the Participating Entity's or 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; the Participating State if a named party; the Participating Entity state if a named party; or the Purchasing Entity state if a named party.

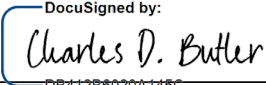
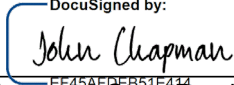
14.13 Assignment of Antitrust Rights. Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 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.

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS MASTER AGREEMENT

* Individual signing for Contractor hereby swears and affirms that they are authorized to act on Contractor’s behalf and acknowledge that the Lead State is relying on their representations to that effect.

CONTRACTOR Lexmark International, Inc. Charles D. Butler By: Title: CFO By:  DB412B6020A143C... *Signature Date: 1/24/2024	STATE OF COLORADO Jared S. Polis, Governor Department of Personnel & Administration State Purchasing & Contracts Office Tony Gherardini, Executive Director By:  EF45AFDEB51E414 John Chapman, State Purchasing Manager Date: 1/24/2024
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ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Master Agreement is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any Goods and/or Services provided hereunder.

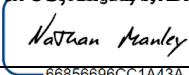
STATE CONTROLLER Robert Jaro, CPA, MBA, JD By:  66856696CC1A43A... Date: 1/24/2024
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EXHIBIT A – STATEMENT OF WORK

I. Product Overview

- A. Contractor is authorized to provide Products and Services in the following Groups and Sub-Groups:

1. Primary Products and Services:

Group	Products and Services
B	A4 MFD – <i>OEM and Non-OEM</i>
D	Single-function Printers – <i>OEM and Non-OEM</i>
G	Software – <i>OEM and Non-OEM</i>
H	Supplies (consumable) – <i>OEM and Non-OEM</i>
I	Managed Print Services

2. Ancillary Products and Services:

Sub-Group	Products and Services
G1	Software Related Services
D1	Specialty Printers (3D, receipt, barcode label, card, cable) – <i>OEM and Non-OEM</i>

- B. Contractor may not provide Products that have not been approved by the Lead State, with the exception of NSP items, as referenced in **section II.B.3**.
- C. Contractor may only offer Devices that meet the minimum requirements as outlined in **section II.A**.
- D. Any Products added to the Master Agreement throughout the term of the Contract must be discounted according to the proposed discount for the appropriate Segment or as specified in **section II.A.4**.
- E. Contractor may provide MPS under any Group they offer under this Contract. However, MPS may not be provided on any Devices that are being leased to a Purchasing Entity by another Manufacturer, unless Contractor has a written agreement with the Manufacturer to do so. Further, Contractor is not permitted to provide (e.g. sell, lease, rent) Devices under any Group they have NOT been awarded.
- F. Contractor may add, remove or modify Products and Services on their Price Lists **once per calendar month**, beginning in September 2024. Modifications do NOT include price increases. Refer to **section 6.1 of the Master Agreement Terms and Conditions** for information regarding pricing.
- G. Any Device additions must be updated with Buyer's Lab within ninety (90) days of submission to the Lead State. Failure to adhere to this requirement will result in the Device(s) being

removed from the Master Agreement Price List(s) until such time they can be verified on Buyer's Lab. In addition, if a Device is acquired by a Purchasing Entity that is not listed on Buyer's Lab within 90 days of it being added to the Price List, then Contractor shall remove the Device from the Purchasing Entity location and substitute it with a Device of equal or greater value, at no charge to the Purchasing Entity. This substituted Device must be on the Price List, AND listed on Buyer's Lab.

II. Master Agreement Deliverables

A. Primary Product and Service Offerings

1. **Group Categories.** Segments shall be utilized to distinguish the various speeds of the Devices within Groups. The speeds are denoted in Page per Minute (PPM). The Segments for each Group are as follows:

Group B – MFD, A4	
Segment	PPM
1	Up to 20
2	21 - 30
3	31 - 40
4	41 - 50
5	51 - 60
6	61+

Group D – Single-function Printers	
Segment	PPM
1	Up to 20
2	21 – 40
3	41 – 60
4	61+

2. **Device Configurations.** Devices must be equipped, at a minimum, with the following Accessories/capabilities:

2.1 Group B – MFD, A4

- a. New power filter;
- b. Bypass paper supply;
- c. Standard paper drawer(s) equal to or greater than:
 - i) One (1) paper supply for Segments 1 and 2;
 - ii) Two (2) paper drawers for Segments 3 and 4; and/or
 - iii) 1,000 sheet capacity for Segments 5 and above.
- d. Paper size capacity up to 8 1/2" x 14"; and
- e. Envelope adjustment capability.

2.2 Group D – Single-function Printers

- a. Must include an inkjet, light emitting diode (LED), or laser print engine;

- b. Standard paper drawer(s);
- c. Standard paper capacity; and
- d. Network connectivity.

3. Device Standards. Devices must meet the following requirements:

- 3.1** Group B must be EPEAT registered to a minimum of Bronze Standard within one (1) year of being added to the Master Agreement Price List.
- 3.2** Group D must be Energy Star compliant or EPEAT registered to a minimum of Bronze Standard within one (1) year of being added to the Master Agreement Price List.
- 3.3** If Contractor Devices fail to meet the EPEAT Bronze Standard, or be Energy Star compliant (applicable to Group D Devices only) within one (1) year, then they will be removed from the Price List. If said Devices have already been placed at a Purchasing Entity's location, then Contractor must replace the Devices with a comparable, qualified model, at no cost to the Purchasing Entity.
- 3.4** All Devices must be Newly Manufactured, current, Remanufactured, or Refurbished, except as specified in a Participating Addendum. Discontinued Devices are not permitted to be offered under the Master Agreement.
- 3.5** Devices, when installed, and if available, must be set-up to receive automatic software updates and patches.
- 3.6** Device specifications must be published on the Contractor website.
- 3.7** MSRP must not exceed what is listed with Buyers Laboratory Inc., or List Price must not exceed what is published on the Manufacturer's website.
- 3.8** Devices must maintain a PPM speed, according to Segment classification.
- 3.9** Devices must be compatible with using recycled paper, up to and including, 100% Post-Consumer Waste (PCW) paper. Contractor may not fault the use of recycled paper for Device failures, as long as the recycled paper in use meets the standard paper specifications (e.g., multi-purpose, copy, or laser paper).

4. Device Exceptions

Group B, Group D, and Sub-Group D1, will not be restricted to OEM, and do not have to be Private Labeled.

5. Accessories

- 5.1** Contractor shall provide OEM and/or Third Party compatible Accessories that compliment or enhance the features of the Device.
- 5.2** Contractor may also maintain a separate price list for Accessories for Base Units that have been discontinued. The pricing must be based on the same discount offered, per the 'Discount from MSRP' tab, on the applicable Group Price List.
- 5.3** Purchasing Entities may add Accessories to Devices that have been purchased or

leased under prior NASPO ValuePoint Master Agreements, as well as via any other means. If the Device is currently being leased, Purchasing Entity must obtain Contractor approval to add Accessories. Purchasing Entities shall also be advised that obtaining Accessories from a Third Party and not the Contractor or their Dealer may void certain warranty or maintenance agreement provisions.

6. Remanufactured and Refurbished Equipment

- 6.1** Contractor may offer Remanufactured and/or Refurbished Equipment under any Group.
- 6.2** Remanufactured and Refurbished Equipment is not required to be EPEAT registered or Energy Star compliant.
- 6.3** Equipment can be acquired via a purchase or lease agreement.
- 6.4** Contractor must notify the Purchasing Entity in writing, when Remanufactured or Refurbished Equipment is being offered.
- 6.5** All Remanufactured or Refurbished Equipment must be clearly labeled as such, and must be certified by the Manufacturer.
- 6.6** Remanufactured Equipment must be priced according to the minimum discount offered for similar Equipment in the same Group and Segment of the resulting Master Agreement.
- 6.7** Refurbished Equipment shall be offered at a minimum discount of 10% less than the lowest priced Device of the Group and Segment to which the Refurbished Equipment belongs.
- 6.8** Service and Supplies for Remanufactured and Refurbished Equipment will receive the same pricing as the Published Price for the Group and Segment to which it belongs.

7. Group G - Software

- 7.1** May be provided by Contractor to enhance the capabilities of the Devices, or may be provided as a standalone option on any owned or leased Device.
- 7.2** Software pricing for unique designs or complex configurations will be quoted on a case by case basis.
- 7.3** Contractor may provide OEM and/or Third Party software.
- 7.4** All software drivers shall be, at a minimum, Windows 10 compliant, and all Devices must have universal software drivers.
- 7.5** Purchasing Entities that acquire software shall be subject to the license agreements distributed with such software, provided such terms do not contradict the language in the Master Agreement, and unless otherwise stated in a Participating Addendum.

7.6 Software Subscriptions

- a. Software pricing shall be inclusive of available software patches and any updates.
- b. Purchasing Entities shall have the option to finance software subscriptions by utilizing the proposed lease rates.
- c. Any new releases of software versions (upgrades) shall be chargeable to the Purchasing Entity; however, Contractor may not charge for the installation of the software upgrade, unless installation is excessive, and charges are agreed to by Purchasing Entity.
- d. License fees and support fees shall remain firm throughout the term of the agreement.
- e. Software subscriptions shall not be subject to automatic renewals, unless otherwise agreed to in an Order.
- f. Contractor shall be responsible for communicating all updates, patches, and new releases/versions to Purchasing Entities.
- g. Contractor shall provide a web-based or toll-free hotline during Normal Business Hours for Purchasing Entities to report software problems or answer software related questions.

8. Group H – Supplies (consumable)

8.1 Contractor may offer OEM or compatible consumable Supplies for Groups B and D, as well as Sub-Group D1. These Supplies may be purchased as standalone items or included as part of a Maintenance Agreement. Under no circumstances may the Supplies, regardless of quantity, be financed, unless they are start-up Supplies. All compatible Supplies must meet OEM standards for performance and quality. The Supplies that may be offered are:

- a. Toner;
- b. Staples;
- c. Ink;
- d. Print Cartridges;
- e. Imaging Drums;
- f. Fuser Kits;
- g. Cleaning Kits;
- h. Transfer Kits;
- i. Waste Toner Bottles;
- j. Fuser Oil;
- k. Ozone Filters;
- l. Ribbon;
- m. Developer;
- n. Rollers and Pads; and

o. Maintenance Kits.

8.2 Toner must be free of carcinogenic, mutagenic, or teratogenic substances, and should avoid petroleum inks and inks with high volatile compounds. Toner cartridges should also be remanufactured, contain recycled content, **or** be bio-based.

8.3 Contractor shall provide the Purchasing Entity with a method to return the empty toner cartridges at no additional charge.

9. Service Offerings

9.1 Group I - Managed Print Services

- a. The main components of an MPS engagement are needs assessment, selective or general replacement of Devices, and the Service, parts and Supplies needed to operate the new and/or existing Devices, including existing Third Party Devices as owned by the Purchasing Entity. The Contractor tracks how the Device fleet is being used, the problems associated with that use, and customer satisfaction in regards to meeting statement of work objectives.
- b. In addition to the ongoing monitoring and management of a fleet of Devices, Contractor must also offer project implementation Services, and customer help-desk support and training.
- c. Contractor may also offer hourly Services for consulting purposes, project management, change management plans, and other staffed Services which meet customer needs such as to operate copy centers or complete back file scanning projects.
- d. MPS may also include enterprise content management Services and workflow optimization components, such as scanning and document capture solutions, developing custom applications for smart MFDs that automate paper-intensive document workflows and route scanned pages to document management systems. It can also be extended to include the restructuring of document workflows. Some MPS engagements may be designed to improve document security or to reduce print volumes and power consumption for environmental reasons.
- e. All MPS engagements shall require the Contractor and Purchasing Entity to complete a detailed statement of work, similar to the format referenced in **Attachment 4, Lexmark Statement of Work Template**, and it must be approved by both parties prior to the initiation of any engagement.
- f. Any MPS engagement shall include the following:
 - i) **Free Initial Assessment** (includes, but is not limited to: document workflow; identification of Service, Supplies, and parts; current output; total cost of ownership; employee to Device ratio; preliminary estimated cost savings);
 - ii) **Implementation** (e.g. plan development; hardware and software

- installation and set-up);
 - iii) **Remote Device Monitoring** (e.g. job accounting; automated meter reads; automated toner replenishment);
 - iv) **End-user Support** (e.g. training; Help Desk); and
 - v) **Account management** (e.g. reporting; invoicing; customer business reviews).
- g. The MPS engagement may include, but is not limited to, the following:
- i) **Professional Services** (e.g. consulting; project management; record management; network and data security; document workflow consulting; document scanning; back-file conversion; mail-room Services);
 - ii) **Cost-based Assessment** (e.g. asset mapping; end-user survey; detailed recommendation; analysis and plan design);
 - iii) **Change Management;**
 - iv) **Maintenance** (e.g. Preventative Maintenance; Service and repair; on-site break/fix; parts management; warranty management);
 - v) **Ongoing Fleet Management and Optimization** (e.g. consumable spend; continual assessments; green initiatives; add/move/change Services; disaster recovery).
 - vi) **Software and Cloud Solutions** (e.g. mobile print, pull-print, enterprise content management; automated workflow; capture and route; security); and
 - vii) **Cartridge Recycling.**
- h. The free initial assessment shall not constitute a commitment on behalf of the Purchasing Entity. Upon request from a Purchasing Entity, Contractor must provide the assessment with the understanding that the Purchasing Entity is under no obligation to enter into an MPS engagement.
- i. MPS pricing and billing options shall be flexible and the Purchasing Entity will drive the complexity of the solution required with a staged approach to implementation.

9.2 Maintenance Agreements. No Maintenance Agreement shall be subject to automatic renewals.

a. Pricing

- i) Pricing must include a zero base, cost per click rate for b&w and/or color for Groups B and D.
- ii) Pricing for a monthly base charge, a set copy allowance and an overage rate for b&w and/or color may also be provided.
- iii) Pricing for a monthly base charge, a set copy allowance, an overage rate for b&w and/or color, and Supplies may also be provided.

- iv) Flat Rate Fee pricing must be provided that includes all parts, labor, Preventative Maintenance, and Service Calls for Groups B and D. Supplies may or may not be included.
- v) Pricing for ALL Groups may also be provided that includes all parts, labor, Preventative Maintenance (if applicable), and Service Calls, but excludes Supplies.
- vi) Contractor may increase their Service and Supply pricing to include staples (if applicable to the Device).
- vii) Contractor may provide a flat rate fee without staples, and a flat rate fee with staples. All flat rate fees shall allow for an annual increase of up to 5%.
- viii) Contractor may charge flat rate fees for Services performed on any Accessories.
- ix) Service Calls due to misuse, neglect or abuse shall not be covered by the Maintenance Agreement, and Contractor and Authorized Dealers may bill the Purchasing Entity at an hourly rate for Services rendered.
- x) A two-sided document shall be counted as two (2) clicks.
- xi) Contractor must not charge for scans on any MFD.

b. Initial Term

- i) Pricing shall remain firm for the initial term of the Maintenance Agreement (e.g. 24, 36, 48 months etc.). Upon renewal of the Maintenance Agreement, Contractor may adjust the pricing, as long as the pricing does not exceed Master Agreement rates.
- ii) For leased Devices, the total Maintenance Agreement term shall be equal to the term of the lease (e.g. 24, 36, 48 months etc.).
- iii) For purchased Devices, the initial term is determined by the Purchasing Entity, as long as it does not exceed 60 months.

c. Renewal Term

If a Purchasing Entity wishes to renew a Maintenance Agreement for Devices that were acquired under prior Master Agreement (RFP-NP-18-001) or Master Agreement (3091), then **section II.A (9.2)(h)** shall apply.

d. Blended Rates

- i) Contractor must have the ability to blend the Service and Supply costs over a large Device fleet, and the Blended Rate must cover all units in the fleet.
- ii) The Blended Rate must be divided between b&w and color.
- iii) Contractor shall provide the Purchasing Entity with the Blended Rate calculation prior to Order placement.
- iv) Utilizing a Blended Rate shall be at the discretion of the Participating State or Entity, and/or the Purchasing Entity.

e. Manual Meter Reads

- i) Contractor must have an electronic method for collecting meter reads from a Purchasing Entity.
- ii) Meter reads may be submitted via the Contractor's online portal, or through email, or facsimile.
- iii) A Participating State or Entity may also elect, at their discretion, to submit meter reads through the Device.

f. Customer Owned Devices

- i) Purchasing Entities may elect to enter into a Maintenance Agreement for Devices they already own, or Devices they acquire through an up-front purchase.
- ii) The Maintenance Agreement may be priced on a flat rate fee, which shall include parts, labor, Preventative Maintenance (if applicable) and Service calls. Supplies may or may not be included.

g. Leased Devices

- i) Contractor shall be required to provide a Maintenance Agreement on all Devices that are leased by a Purchasing Entity.
- ii) The Maintenance Agreement shall be priced based on a cost per click rate, or a monthly base charge.

h. Legacy Devices

- i) Upon request from the Purchasing Entity, Contractor may provide a Maintenance Agreement on any Device that is owned or was leased through Master Agreement (RFP-NP-18-001), Master Agreement (3091), or via any other means, providing the following conditions are met:
 - 1) The Device has not reached the end of its Useful Life;
 - 2) The maximum term of the Maintenance Agreement does not exceed the Useful Life of the Device, unless otherwise specified in a Participating Addendum; and
 - 3) The Maintenance Agreement adheres to the same requirements as outlined in **sections II.A (9.2)(f) and II.A (9.2)(g)**.
- ii) Devices that were previously serviced by another Dealer or Manufacturer must be inspected and repaired, if necessary. Upon mutual agreement, Contractor may charge Purchasing Entity for any parts and/or labor required to bring the Device up to acceptable maintenance levels.
- iii) If the Device has been at the Purchasing Entity's location for less than five (5) years, then Maintenance Agreement pricing shall not exceed the new Master Agreement pricing, until the Purchasing Entity reaches the five (5) year mark. Refer to **section II.A (9.2)(h)(iv)** below for additional information.

- iv) If the Device has been at the Purchasing Entity's location for more than five (5) years, then Maintenance Agreement pricing shall not exceed 120% of the Service and Supply pricing in the new Master Agreement.

A. Ancillary Product and Service Offerings

1. **Sub-Group Categories.** The following Products and Services are sub-groups of the Primary Product and Service Offering Groups.
 - 1.1 **Sub-Group G1 – Software Related Services.** This is a sub-group of Group G – Software. This sub-group shall include, but not be limited to, the following Services:
 - a. Cloud-based scanning (software as a service, enterprise content management); and
 - b. Industrial Print solutions (back-file conversion, enterprise content management).
 - 1.2 **Sub-Group D1 – Specialty Printers.** This is a sub-group of Group D – Single-Function Printers. Products offered under this sub-group are not restricted to OEM, and may include, but not be limited to, the following:
 - a. Barcode labels;
 - b. High Volume Inkjet;
 - c. 3D Printers;
 - d. Receipt printers;
 - e. Card printers; and
 - f. Cable printers.
2. **Sub-Group Category Discounts.** Products in Sub-Group D1 must be discounted at a minimum of 5% for OEM and a minimum of 2% for Non-OEM, unless such discounts would exceed the discount amount offered for OEM and Non-OEM within Group D.
3. **Open Market Items**
 - 3.1 Contractor may offer Not Specifically Priced (NSP) items that compliment or enhance the Devices and/or Services offered under the Master Agreement. NSP items will **not** include:
 - a. Interactive White boards;
 - b. Computers, monitors, or other related hardware items;
 - c. Fax machines;
 - d. Kiosk machines;
 - e. Overhead Projectors; and
 - f. Cameras.
 - 3.2 NSP items may only be acquired through the Contractor or their Authorized Dealer and must be reported quarterly with all other sales under the Master Agreement.
 - 3.3 NSP items must be priced at a minimum discount of 15% from MSRP or List Price.

- 3.4** NSP items may be offered to a Purchasing Entity as a stand-alone option, and the maximum allowable amount of all NSP items in a single Order shall be determined by the Participating State or Entity.
- 3.5** It shall be at the discretion of the Participating State or Entity to allow Open Market Items in their Participating Addendum.

4. Emerging Technologies

- 4.1** Upon approval from the Lead State, Contractor may add new, related technology to the resulting Master Agreement.
- 4.2** Technology is not restricted to OEM, nor is it required to be Private Labeled.
- 4.3** Any new technology that a Contractor requests to add to their Price List must contain a full description of the Product, the MSRP and pricing information, and an explanation/justification as to how the Product conforms to the requirements of the RFP and Master Agreement.
- 4.4** Any new technology must be priced according to the lowest discount offered for any Product under the Master Agreement. No discount or a 0% discount does not qualify as a “lowest” discount.

III. Purchase and Lease Programs

A. Acquisition Methods. Contractor may offer the following:

Financial Vehicle	Standard Terms Offered
Purchase	N/A
Fair Market Value Lease	24, 36, 48 and 60 months
Capital Lease	
Straight Lease	

- 1.** All Devices on Contractor’s Price List may be purchased or leased, either as a packaged-deal, or stand-alone item.

B. Device Trade-In

- 1.** A Purchasing Entity shall have the option, at the Contractors sole discretion, and based upon Participating State or Entity regulations and laws, and Purchasing Entity policies, to do a Device Trade-In, when placing a purchase or lease Order.
- 2.** The value for the Device Trade-In shall be negotiated by the Purchasing Entity and the Contractor, and shall not include any disposal or shipping fees.

C. Lease Rates

- 1.** Contractor may elect to include property tax in their lease rates, or they may bill the Purchasing Entity separately for property tax.
- 2.** Once a Purchasing Entity enters into a lease agreement, the lease rate must remain fixed throughout the Initial Lease Term, regardless of whether the Contractor had increased their lease rates in the Master Agreement Price Lists. If Contractor has decreased their lease rates in their Price Lists, then they may extend that lower rate to the Purchasing

Entity.

3. Device Payments for Renewal Terms must never exceed Master Agreement pricing.
4. If a Purchasing Entity enters into a Renewal Term, then the Device Payment will be subject to the lease rates listed in the most recent Price Lists posted on the NASPO ValuePoint website.
5. Contractor may update lease rates on a quarterly basis to allow for changes in the financial market. The rates must be indexed against the US Daily Treasury Yield Curve Rates, or a comparable index, and must be the rate in effect at the end of each calendar quarter.
6. Lease rates must be proposed as a decimal multiplying factor in such a manner that the purchase price of the Device may be multiplied by the lease rate to arrive at the resulting monthly Device Payment. Proposed rates must include the following information:
 - 6.1 The Daily Treasury Yield Curve (or comparable index) Rate;
 - 6.2 The date used for the Daily Treasury Yield Curve (or comparable index) Rate;
 - a. The fixed margin for each lease type being proposed, and how that margin is determined; and
 - b. The methodology for determining the 48 month base rate if a 4-year rate is not published.
 - 6.3 Contractor must offer Coterminous lease rates to any Purchasing Entity wishing to add Products to an existing lease agreement. The calculation for the Coterminous lease rates must adhere to the following methodology:

For example: A customer enters into a 36 month FMV Lease, and 12 months into that lease, they decide to add an Accessory to the Base Unit. The Contractor shall divide the 36 month cumulative Device Payment by 24 months to arrive at the monthly Coterminous payment for that Accessory. That payment will then be added to the existing Device Payment. The new Total Monthly Payment must then be disclosed to the Purchasing Entity.

D. Leasing Overview

1. All lease programs shall remain with the Contractor or Authorized Dealer through an in-house leasing program, or through the financial branch or subsidiary of Contractor. In addition, Contractor and their Authorized Dealer may use Third Party leasing companies, however; all Third Party leasing company documents must be reviewed and approved by the Lead State and said documents must be incorporated into the Master Agreement before any Participating State, Participating Entity, or Purchasing Entity can use them. It will be at the discretion of the Participating State, Participating Entity, or the Purchasing Entity as to whether billing shall be in the name of Contractor, Authorized Dealer or Third Party leasing company. All contractual obligations however, will still be the responsibility of the Contractor.
2. A Purchasing Entity may lease Devices pursuant to the terms and conditions in this Master Agreement, and according to the requirements listed in their states' Participating Addendum.

3. Lease agreements shall not be subject to automatic renewals. This is non-negotiable in any Participating Addendum or Order.
4. A lease agreement issued prior to the termination of the Master Agreement and Participating Addendum, shall survive the termination of the Master Agreement and the Participating Addendum, and all terms and conditions of the Master Agreement and Participating Addendum shall continue to apply.
5. With the exception of a \$1 Buyout Lease arrangement, or unless exercising the purchase option on an FMV Lease, a Purchasing Entity shall return the Device at the end of the Initial Lease Term, or at the end of the Renewal Lease Term, or the Contractor may pick the Device up, without any further financial obligations to the Purchasing Entity.
6. Device pickups must be performed within thirty (30) calendar days of the end of the Initial or Renewal Term.
7. Device returns must be performed within thirty (30) calendar days after the Contractor or Authorized Dealer provides return shipping instructions to the Purchasing Entity.
8. If Purchasing Entity fails to make Device available for pickup after thirty (30) calendar days, then Contractor or Authorized Dealer may bill the Purchasing Entity, at the total monthly payment amount for such Device, for each month that the Device remains at Purchasing Entity's location. Contractor or Authorized Dealer is not permitted to bill the Purchasing Entity for failure of Contractor or Authorized Dealer to pickup the Device when Purchasing Entity has made it available.
9. Contractor and/or Authorized Dealers shall be responsible for all Device pickup and return costs.
10. The maximum term on any Initial Lease Term shall be 60 months.
11. The length of a Renewal Term shall be at the discretion of the Participating State or Entity, but at no time shall the Renewal Term exceed the Useful Life of the Device.
12. All Renewal Terms shall be billed on a monthly basis.
13. If a Purchasing Entity elects to enter into a month to month Renewal Term, they may cancel at anytime, without penalty, by giving Contractor thirty (30) days advance, written notice.
14. If a Purchasing Entity elects to enter into a 12-month Renewal Term, the Renewal Term will automatically terminate at the end of the 12-month period, unless the Purchasing Entity has notified the Contractor that they wish to enter into a new Renewal Term. If a Purchasing Entity wants to cancel their 12-month Renewal Term early, then early termination fees shall apply, and will be equivalent to the remaining stream of Equipment payments only (i.e. less maintenance).

E. Leasing Options

1. FMV Lease

- 1.1 A Purchasing Entity shall have the option to enter into an Initial Lease Term of 24, 36, 48, or 60 months for Group B, Group D, and Sub-Group D1, based upon the

Contractor's available options, and at the discretion of the Participating State or Entity.

- 1.2** Upon the expiration of the Initial Lease Term, a Purchasing Entity may do one of the following:
 - a.** Exercise their purchase option;
 - b.** Renew the lease on a month to month basis, or a 12 month basis, at the discretion of the Participating State or Entity; or
 - c.** Return the Device to the Contractor, or have the Contractor pick the Device up.

2. Capital Lease (\$1 Buyout Lease)

- 2.1** A Purchasing Entity shall have the option to enter into an Initial Lease Term 24, 36, 48, or 60 months for Group B, Group D, and Sub-Group D1, based upon the Contractor's available options, and at the discretion of the Participating State or Entity.
- 2.2** Upon the expiration of the Initial Lease Term, the Contractor shall provide title to the Device to the Purchasing Entity, or as otherwise determined in a Participating Addendum or an Order, and the Purchasing Entity shall not be subject to any additional expense in order to assume possession of the Device.

3. Straight Lease

- 3.1** A Purchasing Entity shall have the option to enter into an Initial Lease Term of 24, 36, 48, or 60 months for Group B, Group D, and Sub-Group D1, based upon the Contractor's available options, and at the discretion of the Participating State or Entity.
- 3.2** Upon the expiration of the Initial Lease Term, a Purchasing Entity may do one of the following:
 - a.** Renew the lease on a month to month basis, or a 12 month basis, at the discretion of the Participating State or Entity; or
 - b.** Return the Device to the Contractor, or have the Contractor pick the Device up.

F. Leasing Terms and Conditions

1. Possession and Return of Leased Devices

- 1.1** The Purchasing Entity is responsible for risk of loss to the Devices while the Devices are in Purchasing Entity's possession. Purchasing Entity shall be relieved of all risks of loss or damage to the Devices during periods of transportation and de-installation.
- 1.2** Contractor or Authorized Dealer must notify a Purchasing Entity, in writing, of their End of Term (EOT) options at least sixty (60) days prior to the end of any Initial Lease Term. Such notification may include, but not be limited to, the following:
 - a.** Any acquisition or return options, based on the type of lease agreement;

- b. Any renewal options, if applicable; and/or
- c. Hard drive removal and surrender cost, if applicable.

1.3 If a Purchasing Entity desires to exercise a purchase, renewal, or return of the Device, it shall give Contractor at least thirty (30) days written notice prior to the expiration of such lease 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 Device, the Initial Lease Term shall be terminated on the date as stated in the Order and removal of the Device will be mutually arranged, unless otherwise specified in an Order.

1.4 If the Purchasing Entity does not exercise the purchase or renewal option, it will immediately make the Device available to Contractor in as good of condition as when Purchasing Entity received it, except for ordinary wear and tear.

- 2. Payment.** The first scheduled payment (as specified in the applicable Order), will be due following the Acceptance of the Device(s), or such later date as Contractor may designate. The remaining payments will be due on the same day of each subsequent month, unless otherwise specified in the applicable Order.
- 3. Buyout to Keep Option.** A Purchasing Entity must notify the Contractor or Authorized Dealer, in writing, at least thirty (30) days in advance, if they wish to exercise the Buyout to Keep option on an FMV or Capital Lease. A Buyout to Keep option is not available on a Straight Lease.
- 4. Buyout to Return Option.** A Purchasing Entity must notify the Contractor or Authorized Dealer, in writing, at least thirty (30) days in advance, if they wish to exercise the Buyout to Return option on an FMV or Straight Lease, and return the Device to the Contractor in good working condition (ordinary wear and tear excepted).
- 5. Device Upgrade or Downgrade.** A Purchasing Entity may do a Device Upgrade or Downgrade on a lease at anytime throughout the term of the lease agreement. The Purchasing Entity and the Contractor shall negotiate the price of the Device Upgrade or Downgrade, but at no time shall the total cost of the Device Upgrade or Downgrade be less than the remaining stream of Device Payments.
- 6. Non-appropriation of Funds.** The continuation of any lease agreement will be subject to, and contingent upon, sufficient funds being made available by the Participating State Legislature and/or federal sources. The Purchasing Entity may terminate any such lease agreement, and Contractor waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the Purchasing Entity's funding sources are not available.
- 7. Assignment.** Purchasing Entity has no right to sell, transfer, encumber, sublet or assign the Device or any lease agreement without Contractor's prior written consent (which consent shall not be unreasonably withheld).
 - 7.1** Purchasing Entity agrees that Contractor may not sell or assign any portion of Contractor's interests in the Device and/or these Lease Terms or any Order for leases, without notice to Purchasing Entity even if less than all the payments have been assigned. In that event, the assignee (the "Assignee") will have such rights

as Contractor assigns to them, but none of Contractor's obligations (Contractor will keep those obligations) and the rights of the Assignee will not be subject to any claims, defenses or set offs that Purchasing Entity may have against Contractor.

- 7.2** No assignment to an Assignee will release Contractor from any obligations Contractor may have to Purchasing Entity.

8. Early Termination Charges

Except in the case of Non-appropriation of funds, FMV, \$1 Buyout, and Straight Leases shall be subject to an early termination charge, and shall involve the return of the Device (in good working condition; ordinary wear and tear excepted) by the Purchasing Entity to the Contractor. With respect to the Device, the termination charge shall not exceed the balance of remaining Device Payments (including any current and past due amounts), and with respect to Service or maintenance obligations, the termination charge shall not exceed four (4) months of the Service and Supply base charge or twenty-five percent (25%) of the remaining Maintenance Agreement term, whichever is less.

9. Default. Each of the following is a "default" under these lease terms:

- 9.1** Purchasing Entity fails to pay any payment or any other amount within forty-five (45) days (or as otherwise agreed to in a Participating Addendum) of its due date;
- 9.2** Any representation or warranty made by Purchasing Entity in these lease terms is false or incorrect and Purchasing Entity does not perform any of its obligations under these lease terms, and this failure continues for forty-five (45) days (or as otherwise agreed to in a Participating Addendum) after Contractor has notified Purchasing Entity;
- 9.3** Purchasing Entity or any guarantor makes an assignment for the benefit of creditors;
- 9.4** Any guarantor dies, stops doing business as a going concern, or transfers all or substantially all of such guarantor's assets; or
- 9.5** Purchasing Entity stops doing business as a going concern or transfers all or substantially all of Purchasing Entity's assets.

10. Remedies. If a Purchasing Entity defaults on a lease agreement, then Contractor, in addition to, or in lieu of, the remedies set forth in the Master Agreement, and Participating Addendum, may do one or more of the following, at the discretion of the Participating State or Entity:

- 10.1** Cancel or terminate any or all Orders, and/or any or all other agreements that Contractor has entered into with Purchasing Entity;
- 10.2** Require Purchasing Entity to immediately pay to Contractor, as compensation for loss of Contractor's bargain and not as a penalty, a sum equal to:
 - a.** All past due payments and all other amounts payable under the lease agreement;
 - b.** All unpaid payments for the remainder of the lease term, discounted at a rate equal to three percent (3%) per year to the date of default; and

- c. Require Purchasing Entity to deliver the Device to Contractor per mutual arrangements.

IV. Contractor Responsibilities and Tasks

A. Service Requirements

1. **Technicians.** All technicians must be factory trained by the OEM and certified to Service the Devices.
2. **Standard Service Levels.** Participating States and/or Entities may negotiate their own Service Level Agreement (SLA) with the Contractor. The SLA, must, at a minimum, adhere to the following requirements:

2.1 End-User Training

- a. Purchasing Entity may request an initial one-hour training session for each Device ordered under the Contract. Contractor shall provide this initial training, free of charge, via one of the following delivery methods: On-site, web-based, or on-line. The delivery method selected for each Device will be at Contractor's sole discretion. Purchasing Entity should be advised that while this initial one-hour of free training shall be provided by Contractor at Purchasing Entity's request, Contractor will not provide substitutions (e.g. free supplies, deeper discounts, etc.) in lieu of this training.
- b. Purchasing Entity may also request an additional one-hour training session for technical support, which shall include network connectivity and print driver installation. This additional training shall be provided via a delivery method mutually agreed upon by Contractor and Purchasing Entity, and at a mutually agreed upon price.
- c. If Purchasing Entity elects to exercise the training option, then Contractor shall provide the training within ten (10) Business Days of Purchasing Entity's request.
- d. Contractor may offer additional on-site, one-hour training sessions for a flat rate fee. Additional charges for travel and per diem, if applicable, must be disclosed to the Purchasing Entity, and mutually agreed upon, prior to Order placement.
- e. Contractor must provide on-site or off-site operational training to designated Purchasing Entity personnel, until the personnel are able to operate the Device independently. Pricing for operational training shall be based on a flat rate fee. Additional charges for travel and per diem, if applicable, must be disclosed to the Purchasing Entity, and mutually agree upon, prior to Order placement.
- f. Contractor shall provide Device literature, user-manuals, and access to on-line resources, if available, at no charge to the Purchasing Entity.
- g. For Groups B, D, and Sub-Group D1, Contractor shall provide a no charge, toll-free end-user technical support number that Purchasing Entities can utilize for everyday minor troubleshooting (i.e. this does not include network connectivity or print driver installation). A Purchasing Entity must be able to

obtain assistance during Normal Business Hours.

- h. Contractor shall provide phone/technical support within two (2) hours of Purchasing Entity's request for assistance, providing such request, and subsequent support, falls within normal business hours.

2.2 Preventative Maintenance. Contractor must perform all Preventative Maintenance Services at the Manufacturer's suggested intervals, or as specified in an Order. Preventative Maintenance shall not be a requirement on desktop Devices.

2.3 Device Performance

- a. Device Downtime shall be computed from the time the Contractor is notified of Device failure until the time in which the Device is fully operational.
- b. Device Downtime due to lack of consumable Supplies is not acceptable.
- c. Contractor must provide daily communication to the Purchasing Entity regarding inoperable Devices, including updates regarding resolution timeframe, and any parts, Accessories, or Devices on back-order.

2.4 Loaner Device. If any Device in Group B is inoperable for two (2) Business Days, due to Device malfunction, as reasonably determined by Contractor, then Contractor shall provide the Purchasing Entity with:

- a. A loaner Device of similar speed and capabilities until such time as the inoperable Device is now operable; or
- b. At the discretion of the Participating State or Entity, provide the Purchasing Entity with off-site manned production capabilities, at the sole cost to the Contractor, to accomplish the work of the Device that is inoperable.

2.5 Repair Parts

- a. Contractor shall guarantee the availability of repair parts for a minimum of five (5) years after the Purchasing Entity's Acceptance of any Device.
- b. All Device components, spare parts, application software, and ancillary Devices that are supplied under any resulting Master Agreement, must conform to Manufacturer specifications.
- c. Contractor shall be responsible for ensuring that any repair parts are operable and installed in accordance with Manufacturer specifications.
- d. Repair parts may be new, reconditioned, reprocessed or recovered.

2.6 Service Zones

- a. Unless otherwise specified in a Participating Addendum, Contractor shall adhere to the following Service Call Response Times based on the distance that their Service Base Location is from the Purchasing Entity:

Service Zone	Definition	Response Time
Urban	Within 60 miles	1 Business Day
Rural	60 – 120 miles	1 - 2 Business Days

Remote	120+ miles, or only accessible by plane or by boat	4 – 5 Business Days
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- b. Repair or replacement of parts and/or Devices shall occur within four (4) Business Days of Contractor arriving at Purchasing Entity's location, with the following exception:
 - i) If Contractor is drop-shipping a new Device to replace a defective Device, then Purchasing Entity must receive the new Device within three (3) Business Days.
- c. Contractor(s) may charge different rates according to each Service Zone.

2.7 Service Logs

- a. Contractor shall maintain a Service log which describes the maintenance and repair Services provided for each Device.
- b. A no-cost copy of Service logs/reports must be provided to the Purchasing Entity or Participating State or Entity, within five (5) Business Days of the request.

2.8 Device Relocation

- a. Device relocation Services include dismantling, packing, transporting, and re-installing Device.
- b. Contractor may charge for this Service based on the following table:

Service Zone	Distance from current placement of Device	Charge
1	Within the same building	No Charge Allowed*
2	Up to 50 miles from building in which Device is currently placed	Flat Rate Fee, plus Per Mile or Hourly Fee
3	More than 50 miles from building in which Device is currently placed	Flat Rate Fee, plus Per Mile or Hourly Fee

*Contractor may charge Purchasing Entities a mutually agreed upon price for special rigging in the event a Purchasing Entity's demographics require such rigging for Zone 1 relocations. The price shall be agreed upon in writing by Contractor and Purchasing Entity prior to any Device relocation in Zone 1.

- c. Contractor may not charge for any fees incurred due to fuel or tolls.
- d. Moves must be performed within thirty (30) calendar days of the Purchasing Entity request. Request may be verbal or written, but Contractor must confirm the request in writing and provide a date that the move will occur. Written confirmation must be sent to the Purchasing Entity within three (3) Business Days of request. In the event that there will be a delay in these Services, Contractor shall communicate with Purchasing Entity and agree on a mutually beneficial time-frame.

- e. Contractor is required to offer Device relocation services for all leased Equipment.

3. Meter Read Invoicing

- 3.1 In order for Contractor to generate accurate invoices, Purchasing Entities shall provide meter reads within the Contractor's requested time-frame.
- 3.2 Invoices that are generated without receiving the proper meter read information from the Purchasing Entity will not be considered inaccurate.
- 3.3 The Purchasing Entity shall provide written notice of any such alleged invoicing issue and the Contractor will be allowed a thirty (30) day cure period to address any such issue. During the thirty (30) day cure period, the Purchasing Entity will not be assessed any late fees for failure to submit payment by the invoice due date.
- 3.4 Failure on the Contractor's part to maintain accurate invoicing shall result in a \$25.00 per instance credit on the following month's invoice.

4. Reporting

4.1 Service Level Calculations

- a. At the discretion of the Participating State or Entity, Contractor shall produce reports that can be measured against the required SLA components.
- b. The Participating State or Entity shall determine how the reports will be utilized and whether liquidated damages will be assessed for failure to meet the SLA requirements. Any liquidated damages or penalty structure shall be defined in the Participating State or Entity's Participating Addendum.

4.2 Periodic Reporting. Contractor shall provide periodic reporting to all Purchasing Entities upon request. The reports shall be provided on a quarterly basis, or at the discretion of the Participating State or Entity.

- a. The report shall include the following:
 - i) Number of Service Calls placed;
 - ii) Response Time per Device;
 - iii) Dates that Preventative Maintenance was performed, if applicable; and
 - iv) Estimated end of Useful Life per Device, based on current usage.
- b. The report may include, but not be limited to, the following:
 - i) Location of Devices;
 - ii) Click usage per Device; and
 - iii) EPEAT certification level of each Device.

B. Customer Service

- 1. **Key Personnel.** Contractor shall ensure that staff has been allocated appropriately to ensure compliance with the resulting Master Agreement and subsequent Participating State or Entity requirements and that the individuals occupying the Key Personnel

positions have adequate experience and knowledge with successful implementation and management of a national cooperative contract. Contractor shall provide a single point of contact for the following:

- 1.1 **Master Agreement Contract Administrator** – shall be the Lead State’s primary contact in regards to Contract negotiations, amendments, Product and Price List updates, and any other information or documentation relating to the Master Agreement;
 - 1.2 **NASPO ValuePoint Reporting Contact** – shall be responsible for submitting quarterly reports and the quarterly Administrative Fee to the appropriate personnel;
 - 1.3 **Master Agreement Marketing Manager** – shall be responsible for marketing the resulting Master Agreement, as well as creating Participating State websites, and ensuring that all uploaded data and content is current; and
 - 1.4 **National Service Manager** – shall be responsible for overseeing the Regional Service Managers, Field Service Technicians, training, and inside Service operations. This position will work with the Lead State Contract Administrator to ensure contractual obligations are met, while providing leadership for the Contractor’s operations, as well as strategic planning of the Service department.
2. **Single Point of Contact.** Contractor shall provide a single point of contact for each Participating State, who will handle any questions regarding the Products provided, as well as pricing, delivery, billing, reporting, status of Orders, customer complaints and escalated issues.
 3. **Service and Support Hours.** Contractor must provide full Service and support for Products during Normal Business Hours.
 4. **Customer Service Team.** Contractor shall also have a designated customer service team who shall be available by phone (via local or toll free number), fax, or email during Normal Business Hours.
 5. **Additional Coverage.** Contractor may offer additional coverage beyond Normal Business Hours for any Device that needs to be serviced. Such coverage shall be billed to the Purchasing Entity at an hourly rate.
 6. **Online Access.** Customer service representatives shall have online access to account information and be able to respond to inquiries concerning the status of Orders (shipped or pending), delivery, back-orders, pricing, Product availability, Product information, and account and billing questions.

C. Authorized Dealers

1. Contractor can engage Authorized Dealers to provide Products and/or Services.
2. In the event a Contractor elects to use Authorized Dealers in the performance of the specifications, the Contractor shall serve as the primary Contractor, and shall be fully accountable for assuring that their Authorized Dealers comply with the terms and conditions of the resulting Master Agreement, and any Participating Addendum, and shall be liable in the event Authorized Dealers fail to comply with such terms and conditions.

3. Authorized Dealers shall be expected to stay current with Contractor Products, pricing, Master Agreement, and Participating Addendum requirements, and Contractor shall provide training to all of their Authorized Dealers at least once per calendar year, or as otherwise determined by the Lead State.
4. Authorized Dealers shall have the ability to accept Orders from a Purchasing Entity and invoice them directly, unless otherwise stated in a Participating Addendum.
5. Contractor shall send notice to the Lead State, utilizing **Exhibit C, Authorized Dealer Form** and **Exhibit D, Authorized Dealers by State**, within three (3) calendar days of engaging or removing a Dealer.
6. The Lead State reserves the right to deny the addition of any Authorized Dealer and will provide notification to the Contractor with justification as to why the decision was reached. In addition, it will be at the discretion of each Participating State or Entity as to whether they will utilize the Authorized Dealers as approved by the Lead State. Under no circumstances is a Participating State or Entity permitted to use a Dealer that has not been approved by the Lead State.
7. If an Authorized Dealer is performing unsatisfactorily, or is not in compliance with the Master Agreement, then it shall be at the discretion of the Lead State, upon recommendation from the Participating State, to:
 - 7.1 Require the Dealer to attend remedial training with either the Contractor or the Lead State or;
 - 7.2 Remove the Dealer from the Contract, or in the case of multiple branch locations in one state, or multiple states, remove them as a Dealer from the location in which they are not in compliance.

D. Device Demonstration Requirements

1. Contractor may offer trial or demonstration Devices for any B, D, and Sub-Group D1.
2. Trial or demonstration Devices may be new or used; however, no used, Remanufactured, or Refurbished Devices shall be converted to a purchase or lease.
3. At the discretion of the Participating State or Entity, and upon request by a Purchasing Entity, showroom Devices for Group B may be converted to a purchase or lease, providing the following conditions are met:
 - 3.1 The meter count on Group B Devices does not exceed 10,000 copies total (i.e. b&w and color combined);
 - 3.2 The Device must be discounted by at least 5% off of the Master Agreement pricing for that same Device; and
 - 3.3 The Purchasing Entity and the Contractor indicate on the Order that the Device is a showroom model.
4. Any trial or demonstration period shall be free to the Purchasing Entity and shall not exceed thirty (30) calendar days.
5. If Purchasing Entity does not make the demonstration Device available for pickup after

thirty (30) calendar days, then Contractor may bill the Purchasing Entity for use of Device for each day that it remains at Purchasing Entity's location. Such rates shall not exceed current market standards.

E. Device Installation Requirements

1. Prior to Order Acceptance, Contractor must advise Purchasing Entity of any specialized installation and site requirements for the delivery and installation of Device. This information should include, but is not limited to, the following:
 - 1.1 Air conditioning;
 - 1.2 Electrical;
 - 1.3 Special grounding;
 - 1.4 Cabling;
 - 1.5 Space;
 - 1.6 Humidity and temperature limits; and
 - 1.7 Other considerations critical to the installation.
2. The Purchasing Entity shall be responsible for furnishing and installing any special wiring or dedicated lines.
3. Network installation shall include configuration of the Device for the proper network protocols, and installation of the appropriate print drivers on up to five (5) computers per Device, or as otherwise specified in a Participating Addendum.
4. If applicable, all Devices must be set-up with Preventative Maintenance notifications turned on, and with the most environmentally responsible defaults enabled, including Energy Star saving settings.
5. Contractor may charge for excessive installation requirements, including rigging, access alterations, and access to non-ground floors via stairs. Any such excessive installation charges must be quoted to the Purchasing Entity prior to the signature of any Order, and shall be based on the actual expenditures of Contractor or Authorized Dealer.
6. Contractor or Authorized Dealers shall affix a label or a decal to the Device at the time of installation which shows the name, address, and telephone number of Contractor or Authorized Dealer responsible for warranty Service of the Device.
7. Contractor shall clean-up and remove all debris and rubbish resulting from their work as required by the Purchasing Entity. Upon completion of the work, the premises shall be left in good repair and in an orderly, neat, clean, and unobstructed condition.

F. Security Requirements

1. Network and Data Security

- 1.1 Devices may be configured to include a variety of data security features. The set-up of such features shall be at the discretion of the Purchasing Entity, and all costs associated with their implementation must be conveyed by Contractor prior to Order placement.

- 1.2 Contractor will not be permitted to download, transfer, or access print data stored on the Device in either hard drive or chip memory. Only system management accessibility will be allowed.
 - 1.3 Contractor shall ensure that delivery and performance of all Services shall adhere to the requirements and standards as outlined in each Participating State or Entity's Participating Addendum.
2. **Sensitive Information.** Sensitive information that is contained in any Legacy Devices or applications shall be encrypted if practical. In addition, sensitive data will be encrypted in all newly developed applications. Since sensitive information is subjective, it shall be defined by each Participating State or Entity in their Participating Addendum.
3. **Data Breach.** Contractor shall have an incident response process that follows National Institute of Standards and Technology (NIST) standards as referenced in the NIST Computer Security Incident Handling Guide, which can be downloaded at <https://www.nist.gov/publications/computer-security-incident-handling-guide>, and it shall include, at a minimum, breach detection, breach notification, and breach response. Further, Contractor shall notify the impacted Purchasing Entity within 72 hours of learning of such breach.
4. **Authentication and Access**
 - 4.1 Any network connected Device must offer authentication for all features via LDAP and/or Windows AD, as well as the ability to disable authentication for any or all features.
 - 4.2 Any network connected Device must have the ability to connect via Dynamic Host Configuration Protocol (DHCP) or Static IP address.
 - 4.3 The credential information for any remote authentication method may not be maintained within the Device's memory.
 - 4.4 Access to the Device's administrative functions must be password protected per the Participating State or Entity requirements, and the default settings must be changed at the time of Device installation.
5. **Hard Drive Removal and Surrender**
 - 5.1 Contractor shall ensure that all hard drive data is cleansed and purged (if capable) from the Device at the end of its Useful Life, or when any hard drive is repossessed by Contractor; or
 - 5.2 At the Participating State or Entity's discretion, Contractor shall remove the hard drive from the applicable Device and provide the Purchasing Entity with custody of the hard drive before the Device is removed from the Purchasing Entity's location, moved to another location, or any other disposition of the Device. The Purchasing Entity shall then be responsible for securely erasing or destroying the hard drive.
 - 5.3 If Contractor takes possession of any Device at a Purchasing Entity's location, then they shall also remove any ink, toner, and associated Supplies (drum, fuser, etc.) and dispose of them in accordance with applicable law, as well as environmental,

and health considerations, or as otherwise specified in a Participating Addendum.

- 5.4** Hard drive sanitation shall be at no expense to the Purchasing Entity, however; Contractor may charge the Purchasing Entity a fee if the Purchasing Entity elects to keep the hard drive in their possession. Contractor must disclose the price for removal and surrender of the hard drive, prior to Order placement.
- 5.5** If the hard drive is not removable, or the Device does not contain a hard drive, then Contractor must convey this to the Purchasing Entity at the time of Order placement. In the case of a non-removable hard drive, **section IV.I (5.1)** shall apply.
- 5.6** If Contractor is removing another Manufacturer's Device, they are not permitted to remove the hard drive. Only the Manufacturer or their Authorized Dealer shall remove hard drives in their own Devices. Contractor shall work with the Manufacturer to ensure the requirements pursuant to this section are met.

G. Contractor Notices. Contractor shall notify the Lead State, Participating States, Participating Entities and all Purchasing Entities of any recall notices, warranty replacements, safety notices, or any applicable notice regarding the Products being sold. This notice must be received in writing (via postal mail or email) within thirty (30) calendar days of Contractor learning of such issues.

EXHIBIT B – SAMPLE D&A CERTIFICATE

**NASPO VALUEPOINT MASTER AGREEMENT NO.
AND THE STATE OF Insert Name of Participating State PARTICIPATING ADDENDUM NO.
WITH Insert Name of Contractor**

To: Insert Name of Contractor or Authorized Dealer

Pursuant to the provisions of the Master Agreement and Participating Addendum, Purchasing Entity hereby certifies and warrants that (a) all Equipment described in the Order has been delivered and installed; (b) Purchasing Entity has inspected the Equipment, and all such testing as it deems necessary has been performed by Purchasing Entity and/or Contractor to the Satisfaction of Purchasing Entity; and (c) Purchasing Entity accepts the Equipment for all purposes of the Order.

Insert name of Purchasing Entity

By: _____

Title: _____

Date: _____

EXHIBIT C – AUTHORIZED DEALER FORM

Manufacturer Name: _____

(Check one)

- ☐ The Dealer listed below is authorized to provide Products and Services in accordance with the NASPO ValuePoint Multi-Function Devices and Related Software, Services and Cloud Solutions Master Agreement.
- ☐ The Dealer listed below will no longer provide Products and Services under the NASPO ValuePoint Multi-Function Devices and Related Software, Services and Cloud Solutions Master Agreement for the following reason (required):

State(s) Serviced by Dealer:	
Dealer Name:	
Address:	
Phone (include Toll-Free, if available):	
Contact Person(s):	
Email Address:	
FEIN:	

Signed: _____ Date: _____
(Contractor Representative)

Signed: _____ Date: _____
(Authorized Dealer Representative)

(Print First and Last Name of Authorized Dealer Representative)

EXHIBIT D – AUTHORIZED DEALERS BY STATE



Exhibit D -
Authorized Dealers b

ATTACHMENT 1 – LEXMARK SAMPLE CUSTOMER PO

Remittance address may be requested by the customer here so it could also be: **PO Box 41602, Philadelphia, PA 19101-1602** per remit to address depicted in the NASPO contract. Either one is acceptable. This cannot be the local dealer address.

SAMPLE CUSTOMER PURCHASE ORDER

PO number must be on the Order Form

Purchase Order Number: **3208002386**

Date: 3/31/2019

TO: Lexmark Financial Services, LLC
C/O (Insert the Dealer's Name)
1111 Old Eagle School Road
Wayne PA 19087
Attn: Sales Rep Name (999)996-9999 X 100

DELIVER TO: Customer Name
1111 Main Street
Somewhere, State 99999
Attn: POC @ (999)999-9999

BILL TO:
Customer Name
Accounting/Accounts Payable Dept.
1111 Main Street
Somewhere, State 99999

For more information regarding this purchase order, call

Point of Contact Name at (999) 999-9999

IMPORTANT CONDITIONS OF ORDER

Any Important Note can be initiated by the customer here as long as it does not conflict with Contract T&C's

Purchase Order Must reference Lease term in months– Description should include the accessories and/or the item numbers being ordered.

QTY	DESCRIPTION	QUANTITY	UNIT PRICE	EXTENSION
	"This purchase order incorporates the terms and conditions of the NASPO ValuePoint Master Agreement and Participating Addendum number, [REDACTED]. The terms and conditions of the Lease Agreement govern and control leasing transactions which we have read and expressly agree to be bound by, as the controlling terms over any preprinted or written terms stated on this purchase order."			
1	36-month FMV Lease of two (2) each – Lexmark C6000, PFU-602, HT-504, DF-622 Doc Feeder, PH-102 Preview Kit, HD-514 HDD, IC 413 Controller, RU-509 Relay Unit, EFI Fiery Option Bundle, FD-503 Folding Unit, FS-521 Finisher, Basic Professional Service & Professional Services - Training.			
1	Above 36 month Lease Includes upgrade/buyout for existing lease # -001-234567 of \$10,000			
	Included line item for buyouts/upgrades with language, current lease number and total dollar amount of buyout to satisfy current lease and equipment return costs			
	Order Total: =====>			

STATE SALES TAX EXEMPTION CERTIFICATE: The undersigned claims an exemption from taxes under Chapter 20, Title 122A, Revised Civil Statutes of Texas for the purpose of tangible personal property described in this numbered order, purchased from contractor and/or shipper listed above as this is being secured for the exclusive use of the State of Texas

Most Public Entities will have a sales tax exemption statement incorporated within their standard PO format if they are exempt. **HOWEVER, the customer's actual tax exempt certificate must be on file.** Please include with initial PO. PO should also be signed by authorized agent.

ATTACHMENT 2 – LEXMARK MASTER LEASE AGREEMENT TERMS AND CONDITIONS

This Master Lease Agreement ("Agreement") is dated as of this _____, 20_____, and is by and between [insert lessor name and address] ("Lessor") and the Lessee identified above ("Lessee"). The words "you" and "your" refer to the "Lessee" and the words "we", "us" and "our" refer to the Lessor. Please read your copy of this Agreement carefully and feel free to ask us any questions you may have about it.

1. LEASE: This Agreement establishes the general terms and conditions under which we may from time to time lease Equipment (as hereinafter defined) to you. The terms of this Agreement shall be deemed to form a part of each Schedule (the form of which is attached hereto as Exhibit A) executed by you and us which references this Agreement.

"Equipment" shall mean all items of equipment described in any Schedule. You may issue Purchase Orders that incorporate by reference this Master Lease Agreement and if so incorporated by reference, each such Purchase Order will constitute a Schedule for the purposes of this Master Lease Agreement. Each Schedule shall constitute a separate Lease Agreement ("Lease") incorporating all of the terms of this Agreement. In the event of a conflict between the provisions of this Lease and the provisions of this Agreement, the provisions of the Lease shall prevail, providing they do not conflict with the applicable leasing language in the NASPO ValuePoint Master Agreement, in which case, the NASPO ValuePoint Master Agreement language shall prevail.

2. TERM AND RENT: This Agreement shall become effective upon acceptance and execution by us and shall remain effective at least until the expiration of the last Lease term under any Schedule. Each Lease is effective on the date that it is accepted and signed by us, and the term of each Lease begins on that date or any later date that we designate (the "Commencement Date") and continues thereafter for the number of months indicated on the Lease. Lease Payments will be due as invoiced by us until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to you under the Lease are paid in full. Your obligation to pay the Lease Payments and other Lease obligations are absolute and unconditional and are not subject to cancellation, reduction, setoff or counterclaim. All payments will be made to us at the above address we indicate in writing. **THIS AGREEMENT AND ALL LEASES ARE NON-CANCELABLE except as** specified herein. The amount of each Lease Payment is based on the supplier's best estimate of the Equipment cost including (if applicable), any installation, other related costs and estimated sales or use tax, and per the pricing in the NASPO ValuePoint Master Agreement. The Lease Payments will be adjusted proportionately upward or downward if the actual total cost of the Equipment or taxes is more or less than the estimate.

3. LATE CHARGES/DOCUMENTATION FEES: If a Lease Payment is not made within 15 days of the due date, you will pay us a late charge of 1% of the payment or an amount only to the extent permitted by law, whichever is less.

4. DELIVERY AND ACCEPTANCE: The costs of delivery and installation of the Equipment are included in the cost of the Equipment. If requested, you will sign a separate Equipment delivery and acceptance certificate.

5. SELECTION OF EQUIPMENT/DISCLAIMER OF WARRANTIES: You have selected the Equipment and the supplier from whom we agree to purchase the Equipment at your request. We are not the manufacturer of the Equipment and we are leasing the Equipment to you "AS-IS". You have selected the Equipment and we MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you for the term of a Lease all warranties, if any, made by the manufacturer. YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS AGREEMENT OR ANY LEASE AND EXCEPT FOR THE MANUFACTURER WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT A LEASE OR THE EQUIPMENT. WE SHALL NOT BE LIABLE FOR ANY DELAYS IN MAKING DELIVERIES OR REPAIRS NOR IN ANY EVENT FOR SPECIAL, RESULTING OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE EQUIPMENT. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER A LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE SUPPLIER OR THE EQUIPMENT MANUFACTURER.

6. TITLE, PERSONAL PROPERTY, LOCATION AND INSPECTION: Unless you have a \$1.00 purchase option, we will have title to the Equipment. If you have a \$1.00 purchase option and/or the Lease is deemed to be a security agreement, you grant us a security interest in the Equipment and all proceeds thereof. You have the right to use the Equipment for the full Lease term provided you comply with the terms and conditions of the Lease. Although the Equipment may become attached to real estate, it remains personal property and you agree not to permit a lien to be placed upon the Equipment

or to remove the Equipment without our prior written consent. If we feel it is necessary, you agree to provide us with waivers of interest or liens, from anyone claiming any interest in the real estate on which any item of Equipment is located. We also have the right, at reasonable times, to inspect the Equipment.

7. USE, MAINTENANCE AND REPAIR: You are required, at your own cost and expense, to keep the Equipment in good repair, condition and working order, except for ordinary wear and tear, while it is in your possession, and you will supply all parts and servicing required. All replacement parts used or installed and repairs made to the Equipment will become our property. You may, with our prior written consent, make modifications to the Equipment; provided such modifications do not reduce the value or usefulness of the Equipment or result in the loss of any warranty or any certification necessary for the maintenance of the Equipment and such modifications must be easily removable without causing damage to the Equipment. Before returning the Equipment, you agree to remove such modifications and restore the Equipment to its original condition. If you fail to remove such modifications, we are deemed the owner of such modifications. IN THE EVENT THE LEASE PAYMENTS INCLUDE THE COST OF MAINTENANCE AND/OR SERVICE BEING PROVIDED BY THE SUPPLIER AND/OR THE MANUFACTURER, YOU ACKNOWLEDGE THAT WE ARE NOT RESPONSIBLE FOR PROVIDING THIS AGREEMENT AND ANY REQUIRED MAINTENANCE AND/OR SERVICE FOR THE EQUIPMENT. YOU WILL MAKE ALL CLAIMS FOR SERVICE AND/OR MAINTENANCE SOLELY TO THE SUPPLIER AND/OR MANUFACTURER AND SUCH CLAIMS WILL NOT AFFECT YOUR OBLIGATION TO MAKE ALL REQUIRED LEASE PAYMENTS.

8. ASSIGNMENT: YOU AGREE NOT TO TRANSFER, SELL, SUBLEASE, ASSIGN, PLEDGE OR ENCUMBER EITHER THE EQUIPMENT OR ANY RIGHTS UNDER THIS AGREEMENT AND ANY LEASE WITHOUT OUR PRIOR WRITTEN CONSENT (WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD). You agree that we may not sell, assign or transfer any Lease without notice to you, and if we do, the new owner or assignee will have the same rights and benefits that we now have but will not have to perform any of our obligations and that the rights of the new owner or assignee will not be subject to any claims, defenses, or set-offs that you may have against us. Any such assignment, sale or transfer of a Lease or the Equipment will not relieve us of our obligations to you under the Lease.

9. REDELIVERY AND RENEWAL: Upon at least sixty (60) days but not more than ninety (90) days prior to the expiration of the Lease term, we shall advise you of the end of the Lease term options available to you in writing (email will be sufficient for a writing). Provided you have given thirty (30) days written notice, you shall exercise your option to i) purchase the Equipment, ii) renew the Lease on a month to month basis, or iii) return (or make available) the Equipment to us in good repair, condition and working order, ordinary wear and tear excepted. If you fail to notify us, you will immediately make the Equipment available to us, in as good repair, condition and working order, ordinary wear and tear excepted.

10. LOSS OR DAMAGE: You are responsible for the risk of loss or destruction of, or damage to the Equipment while the Equipment is in your possession. No such loss or damage relieves you from any obligation under a Lease. You agree to promptly notify us in writing of any loss or destruction or damage to the Equipment and you will, at our option, (a) repair the Equipment to good condition and working order, (b) replace the Equipment with like Equipment in good repair, condition and working order, acceptable to us and transfer clear title to such replacement Equipment to us, such Equipment shall be subject to the Lease and be deemed the Equipment, or (c) pay to us the present value of the total of all unpaid Lease Payments for the full Lease term, plus the estimated fair market value of the Equipment at the end of the originally scheduled Lease term or any End of Lease Option price stated on the Lease ("Residual"), with the accelerated Lease Payments and the Residual discounted at a rate of 4% per annum (the "Present Value Rate"), whereupon the Lease shall terminate. All proceeds of insurance received by us as a result of such loss or damage will be applied, where applicable, toward the replacement or repair of the Equipment or the payment of your obligations.

11. LIABILITY: We are not responsible for any losses or injuries caused by the installation or use of the Equipment and you will not make any claims, or allow others to make any claims against us.

12. TAXES: You agree to pay all applicable license and registration fees, sale and use taxes, personal property taxes and all other taxes and charges, relating to the ownership, leasing, rental, sale, purchase, possession or use of the Equipment. If we are required to file and pay property tax, you agree to either (a) reimburse us for all personal property and other similar taxes and governmental charges associated with ownership, possession, or use of the Equipment when billed by jurisdictions; or (b) remit to us each billing period a pro-rated equivalent of such taxes and governmental charges not to exceed 0.363% of the Equipment cost per month as part of the Lease Payment. You agree that if we pay any taxes or charges on your behalf, you will reimburse us for all such payments and will pay us interest and a late charge (as calculated in Section 3) on such payments with the next Lease Payment plus a reasonable fee for our collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

13. INSURANCE: During the term of each Lease, you are responsible for providing protection of the Equipment from damage, destruction or loss of any kind. If the Equipment is damaged, destroyed or lost, you agree to continue to pay the amounts due and to become due hereunder without setoff or defense. You agree to cooperate with us and any insurer in the placement of coverage and any claims thereunder. You will provide property insurance to cover the Equipment through self-insurance or otherwise.

14. DEFAULT: You are in default of this Agreement and any Lease if any of the following occurs: a) you fail to pay any Lease Payment or other sum within forty-five (45) days of when due; b) you breach any representation warranty or other obligation under this Agreement and this failure continues for forty-five (45) days after we notify you of default; c) any guarantor dies, stops doing business as a going concern or transfers all or substantially all of such guarantor's assets, make an assignment for the benefit of creditors and/or you become insolvent or unable to pay your debts when due; you stop doing business as a going concern; you merge, consolidate, transfer all or substantially all of your assets; you make an assignment for the benefit of creditors or you undergo a substantial deterioration in your financial condition; or d) you, voluntarily file or have filed against you involuntarily, a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for you or it or a substantial part of your or its assets.

15. REMEDIES: We have the following remedies if a default should occur: a) Upon written notice, declare the entire balance of the unpaid Lease Payments for the full term immediately due and payable; and you agree to compensate us, by paying, the sum of: (i) all past due and current Lease Payments (or other periodic payments) and charges due under the applicable Lease Agreement (ii) the present value of all remaining Lease Payments (or other periodic payments) and charges for the remainder of the term of such Lease, discounted at the rate of four percent (4%) per annum (or the lowest rate permitted by law, whichever is higher); and (iii) the present value (at the same discount rate as specified in clause (ii) above) of the amount of any purchase option with respect to the Equipment or, if none is specified, our anticipated value of the Equipment at the end of the initial term of such Lease (or any renewal thereof); and with respect to any software, (i) immediately terminate your right to use the software including the disabling (on-site or by remote communication) of any software; (ii) demand the immediate return and obtain possession of the software and re-license the software at a public or private sale; and/or (iii) cause the software supplier to terminate the software license, support and other services under the software license; b) Charge you interest on all monies due us at the rate of one percent (1%) per month from the date of default until paid, but in no event more than the maximum rate permitted by law, whichever is less; and c) Require that you return the Equipment to us and in the event you fail to return the Equipment, enter upon the premises peaceably with or without legal process where the Equipment is located and repossess the Equipment. Such return or repossession of the Equipment will not constitute a termination of a Lease unless we expressly notify you in writing. In the event the Equipment is returned or repossessed by us and unless we have terminated the Lease, we will sell or re-rent the Equipment to any persons with any terms we determine, at one or more public or private sales, with or without notice to you, and apply the net proceeds after deducting the costs and expenses of such sale or re-rent, to your obligations with you remaining liable for any deficiency and with any excess being retained by us. The credit for any sums to be received by us from any such rental shall be discounted to the date of the agreement at six percent (6%) per year. You are also required to pay (i) all expenses incurred by us in connection with the enforcement of any remedies, including all expenses of repossessing, storing, repairing and selling the Equipment, and (ii) reasonable attorneys' fees. You agree that any delay or failure to enforce our rights under this Agreement or any Lease does not prevent us from enforcing any rights at a later time.

16. PURCHASE OPTION: Upon expiration of the Lease term, provided you are not in default, you shall have the option to purchase all but not less than all of the Equipment on the terms as indicated in the End of Lease Options checked off on the Lease. We will use our reasonable judgment to determine the Equipment's fair market value for all FMV purchase options which shall be based on the Equipment remaining in place.

17. RESERVED.

18. WARRANTY OF BUSINESS PURPOSE: You warrant and represent that the Equipment will be used for business purposes, and not for personal, family or household purposes.

19. UCC FILINGS AND FINANCIAL STATEMENTS: You authorize us to file a financing statement with respect to the Equipment signed by us where permitted by the Uniform Commercial Code ("UCC") and grant us the right to sign such financing statement on your behalf. The filing of a financing statement is not to be construed as evidence that any security interest was intended to be created, but only to give public notice of our ownership of the Equipment. If a Lease is deemed at any time to be one intended as security then you grant us a security interest in the Equipment and the proceeds from the sale, rent or other disposition of the Equipment. If we feel it is necessary, you agree to submit financial

statements (audited if available) on a quarterly basis.

20. NOTICE: Written notices will be deemed to have been given when delivered personally, via e-mail or deposited in the United States mail, postage prepaid, addressed to the recipient at its address above or at any other address subsequently provided in writing.

21. UCC — ARTICLE 2A PROVISIONS: You agree that each Lease is a Finance Lease as that term is defined in Article 2A of the UCC. You acknowledge that we have given you the name of the Supplier of the Equipment. We hereby notify you that you may have rights under the contract with the Supplier and you may contact the Supplier for a description of any rights or warranties that you may have under this supply contract. You also waive any and all rights and remedies granted you under Sections 2A-508 through 2A-522 of the UCC including, but not limited to: the right to repudiate the Lease and reject the Equipment; the right to cancel the Lease; the right to revoke acceptance of the Lease; the right to grant a security interest in the Equipment in your possession and control for any reason; or the right to recover damages for any breach of warranty.

22. CHOICE OF LAW: This Agreement and each Lease shall in all respects be interpreted and all transactions subject to this Agreement and each Lease and all rights and liabilities of the parties under this Agreement and each Lease shall be determined and governed as to their validity, interpretation, enforcement and effect by the laws of the Lessee State, except for local filing requirements. You consent to and agree that non-exclusive jurisdiction, personal or otherwise, over you and the Equipment shall be with the Courts of the Lessee State or the Federal District Court for the Lessee district. YOU ALSO IRREVOCABLY WAIVE YOUR RIGHT TO A TRIAL BY JURY.

23. SEVERABILITY; WAIVERS: No agreements or understandings are binding on the parties unless set forth in writing and signed by the parties. Any provision of this Agreement and each Lease which for any reason may be held unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective without invalidating the remaining provisions of this Agreement and each Lease.

24. FACSIMILE DOCUMENTATION: You agree, upon our request, to submit the original of this Agreement and any schedules to the Lessor via overnight courier the same day of the facsimile or other electronic transmission of the signed Agreement and such schedules. Both parties agree that this Agreement and any schedules signed by you, whether manually or electronically, and submitted to us by facsimile or other electronic transmission shall, upon execution by us (manually or electronically, as applicable), be binding upon the parties. This lease may be executed in counterparts and any facsimile, photographic and/or other electronic transmission of this lease which has been manually or electronically signed by you when manually or electronically countersigned by us or attached to our original signature counterpart and/or in our possession shall constitute the sole original chattel paper as defined in the UCC for all purposes (including any enforcement action under paragraph 22) and will be admissible as legal evidence thereof. Both parties waive the right to challenge in court the authenticity of a faxed, photographic, or other electronically transmitted or electronically signed copy of this Agreement and any schedule.

25. NON-APPROPRIATION: (Applicable only if the Lessee is a State, institution of higher education, or political subdivision of a State) You are obligated only to pay such Lease Payments under any Schedule to this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during your then current fiscal year. In the event you have requested and sufficient funds shall not be appropriated or are not otherwise legally available to pay the Lease Payments required to be paid in the next fiscal year, the Schedule shall be deemed to be terminated at the end of the current fiscal year. You agree to deliver written notice to us of such termination of at least 30 days prior to the end of the current fiscal year but failure to give such notice shall not extend the Lease Schedule term beyond the current fiscal year. If a Schedule is terminated in accordance with this Section, you agree to peaceably deliver the Equipment to us at the location or locations specified by us.

Exhibit A Master Lease Agreement Schedule

MASTER LEASE AGREEMENT SCHEDULE

LEASE COMMENCEMENT DATE _____ LEASE NUMBER _____ SCHEDULE NO. _____

This Master Lease Agreement Schedule is entered into pursuant to and incorporates the terms and conditions of that certain Master Lease Agreement dated as of _____, 20____ ("Agreement") by and between _____ ("Lessor") and _____ ("Lessee").

LESSEE	Full Legal Name _____ DBA Name (If Any) _____	
	Billing Address _____	Phone Number _____
	City _____ County _____ State _____	Zip Code _____
	Send Invoice to Attention of _____	

VENDOR	Vendor Name _____ Address _____	
	City _____ County _____ State _____	Zip Code _____
	Name of Sales Rep _____ Phone Number _____	

EQUIPMENT INFORMATION	Equipment Location (If not same as above) _____		
	City _____ County _____ State _____ Zip _____		
	Quantity	Model Number	Description (Attach Schedule If Necessary)

PAYMENT INFORMATION	Number of Lease Payments	Lease Payment	(PLUS)	Sales Tax	(EQUALS)	Total Lease Payment
			+		=	
			+		=	
			+		=	
			+		=	
			+		=	
Term of Lease in Months _____						
Payment Frequency: ☐ Monthly ☐ Quarterly ☐ Semi-Annual ☐ Other _____						
End of Lease Option: ☐ FMV ☐ 10% ☐ \$1 ☐ Other _____						
End of Lease Purchase Option shall be FMV unless another option is selected.						

FIRST PAYMENT	Security Deposit	(PLUS)	First Lease Payment	(PLUS)	Other	(EQUALS)	Total Payment Enclosed
		+		+		=	
*Make check payable to Lessor							

LESSEE SIGNATURE	YOU AGREE TO ALL OF THE TERMS AND CONDITIONS CONTAINED IN THE AGREEMENT, AND IN ANY ATTACHMENTS TO THE SAME, ALL OF WHICH ARE INCORPORATED INTO AND BECOME PART OF THIS SCHEDULE. YOU ACKNOWLEDGE TO HAVE READ AND AGREE TO ALL THE TERMS AND CONDITIONS AND UNDERSTAND THAT THIS IS A NON-CANCELABLE AGREEMENT FOR THE FULL TERM SHOWN ABOVE. YOU AGREE THAT A FACSIMILE COPY OF THIS DOCUMENT WITH FACSIMILE SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.	
	Signature X _____	Date _____
	(LEASE MUST BE SIGNED BY AUTHORIZED CORPORATE OFFICER, PARTNER OR PROPRIETOR)	
	Print Name _____	Title _____
Legal Name of Corporation or Partnership _____		

ACCEPTED BY LESSOR	Signature X _____	
	Title _____	Date _____
	Legal Name of Corporation or Partnership _____	

ATTACHMENT 3 – LEXMARK MAINTENANCE AGREEMENT



ATTACHMENT 3 – LEXMARK MAINTENANCE AGREEMENT

The parties to this MAINTENANCE AGREEMENT (“Agreement”) are:

Lexmark (“we”, “our”, or “us”)	Customer (“you” or “your”)
Lexmark International, Inc. 740 West New Circle Road Lexington, KY 40550	Customer for Life Address City, State Zip
A Delaware corporation EIN 06-1308215	A State corporation EIN 12-3456789
Attn: Director, Contracts	Attn: Contact name

1. **TERM.** This Agreement is effective as of **Date** and will remain in effect so long as any Schedule Term is continuing.
2. **DEFINITIONS**
“Charges” means one or both of the following as set forth in Exhibit A: (i) a fixed periodic payment (“Recurring Charge”) and (ii) a variable payment based on consumption or wear factors (“Usage Charge”).
“Equipment” means the Lexmark-branded office imaging equipment listed on a Schedule. Equipment also includes parts, replacements, and accessories provided by us.
“Schedule” means an asset registration acceptance summary substantially in the form of Exhibit B signed by you and accepted by us. Each Schedule is an independent agreement and incorporates and is subject to the terms of this Agreement.
“Schedule Term” means the duration of a Schedule commencing on the start date specified on the Schedule and continuing for the stated number of months and any extension or renewal period which we agree to in writing.
“SLA” means the service level agreement specified in Exhibit A for maintaining the Equipment, including time to first call and resolution.
3. **METER READS.** We may install automated data collection tools consisting of hardware and/or soft- ware to obtain periodic meter readings from the Equipment of the actual page volumes produced. If we are unable to obtain automated meter reads or we agree to obtain the data manually then you will provide us with true and accurate meter reads at the times and in the manner we specify. If we do not receive timely meter reads, then we may estimate them.
4. **MAINTENANCE SERVICE**
You will:
(a) Use the Equipment in the manner for which it was intended and in conformity with the manufacturer’s instructions.
(b) Provide adequate space, suitable electrical service, maintain proper environmental requirements, and adequate surge protection.
(c) Allow us access to inspect or repair the Equipment at any time during normal business hours and will not relocate the Equipment without our written consent.
(d) Perform all user-required procedures described in the applicable Equipment manuals in a timely manner.
(e) Call the Lexmark Technical Support Center when Equipment service is required and assist the technician in diagnosing the problem.

We will:

- (f) Provide all parts (including maintenance kits, if required) and labor to make repairs or adjustments necessary to keep the Equipment in good working order as a result of normal usage or defects in materials or workmanship. Parts required for repairs may be new or remanufactured.
- (g) Dispatch a Lexmark-certified technician when service is required who will respond, on average, in accordance with the applicable SLA.

We will not be responsible for repairs or replacement due to alteration, misuse, unauthorized relocation or servicing of the Equipment, or the use of supplies, parts, or accessories not provided by us.

Maintenance service is not a guarantee of uninterrupted or error-free functioning of the Equipment. If we are unable to repair or maintain the Equipment we will replace such Equipment with an identical product or, at our option, a product of equal or greater capability.

For select models of Equipment that require service, we may, at our option, ship you an exchange machine of equal or greater capability. You will return the defective Equipment to us by packing it in the materials for the exchange machine, attaching the prepaid shipping label to the box, and arranging for pickup by or delivery to the designated carrier. Failure to return the defective Equipment will result in a charge for the exchange machine. Any replacement Equipment that we provide may be new or an equivalent, and the defective Equipment will become our property.

5. SUPPLIES. If supply items are included in a Recurring Charge or a Usage Charge, as indicated in Exhibit A, then the following provisions will apply:

- (a) All consumable items (except paper and staples) required by the Equipment for normal printing operation will be provided by us and installed by you.
- (b) We may detect the need for consumables via our data collection tools, validate that need within our systems, ship the consumables, and provide email notification of such shipment to you. You will assist us in keeping shipping contact information up to date.
- (c) Toner cartridges are licensed for one use. You agree to return all used toner cartridges to us using the packaging and prepaid shipping labels provided by us. You agree not to sell the toner cartridges provided by us or permit them to be used in any device other than the Equipment.
- (d) At our option, we may provide toner cartridges produced with totally new parts or used parts.
- (e) Toner cartridge yields are determined by us in accordance with ISO standards which approximate 5% toner coverage on a single side of an A4 sheet of paper. A duplexed A4 page and an A3 page each count as two impressions. Realized cartridge yields may be lower due to greater print density, premature cartridge replacement, or other factors beyond our control.
- (f) We reserve the right to terminate the supply of toner cartridges in the event we determine, after due enquiry, that the quantity of toner cartridges shipped is excessive given the volume of pages billed due to fraud, misuse, or breach of this Agreement.
- (g) If we relied on historical page volume or coverage information provided by you as a basis for this Agreement and your actual page volume or coverage is greater by 10% or more during the first six months of a Schedule Term then we may, at our option, adjust applicable Charges to compensate us.

6. PAYMENTS. We will invoice Charges at the frequency and rates specified in Exhibit A together with applicable taxes. This pricing shall not exceed the pricing listed in the Master Agreement. You will pay us within 30 days from the date of each invoice. After forty-five (45) days, we may assess overdue account charges up to a maximum rate of one (1) percent per month on the outstanding balance.

7. DEFAULT AND REMEDIES. You will be in default under this Agreement if: (a) you fail to remit to us any payment within forty-five (45) days of the due date; (b) you fail to observe or perform any other term, covenant, or condition of this Agreement and such failure continues for fifteen (15) days following receipt of written notice from us; or (c) a petition is filed by or against you under any bankruptcy or insolvency law.

If you are in default we may, at our option, do one or more of the following: (a) terminate this Agreement or the applicable Schedule; (b) suspend or terminate maintenance services and/or the provisions of supplies; or (c) collect all past due and current Charges together with interest at the rate of 1% per month (but not more than the lawful maximum rate, whichever is less) on any amounts that are more than 45 days delinquent.

These remedies are cumulative, in addition to any other rights or remedies available at law or in equity, and may be exercised concurrently or separately. Any failure or delay to exercise any right shall not operate as a waiver of any other right or future

right.

- 8. **LIABILITY.** Our liability for actual damage from any cause will be limited to the greater of \$25,000 or the MSRP value of the Equipment that caused the damage. Neither party will be liable for any consequential, punitive, indirect, or incidental damage, including lost profits or savings.
- 9. **NOTICES.** All notices and communications must be in writing and sent by certified mail, return receipt requested, or by overnight courier to the other party at its respective address above and shall be effective on the day received.
- 10. **MISCELLANEOUS.** In the event of a conflict between this Agreement and a Schedule, the Schedule shall take precedence over this Agreement, providing the Schedule does not conflict with the terms and conditions in the NASPO ValuePoint Master Agreement.

This Agreement may not be modified other than by written agreement of the parties. Any provision of this Agreement which for any reason may be held unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective without invalidating the remaining provisions of this Agreement.

This is the entire agreement we have with you on the subject matter hereof and is subject to the laws of the Purchasing Entity. IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed and delivered by a duly authorized representative as of the date first above written.

Lexmark International, Inc.

Customer for Life

Authorized Signer

Authorized Signer

Name

Name

Title

Title

Exhibit A - Pricing

Exhibit B
Asset Registration Acceptance Summary

ATTACHMENT 4 – LEXMARK STATEMENT OF WORK TEMPLATE



Attachment 4 -
Lexmark Statement of

ATTACHMENT 6 – LEXMARK SOFTWARE LICENSE AGREEMENT TERMS AND CONDITIONS

PLEASE READ CAREFULLY BEFORE USING AND INSTALLING THIS SOFTWARE PROGRAM: BY CHECKING THE BOX NEXT TO LEXMARK SOFTWARE LICENSE AND THEN PRESSING THE ACCEPT BUTTON, INSTALLING OR USING THE SOFTWARE, YOU ARE ACCEPTING AND AGREEING TO BE BOUND BY THE TERMS OF THIS SOFTWARE LICENSE AGREEMENT. IF YOU ARE ACCEPTING AND AGREEING TO BE BOUND BY THE TERMS OF THIS SOFTWARE LICENSE AGREEMENT IN CONJUNCTION WITH YOUR EMPLOYMENT ON BEHALF OF YOUR EMPLOYER, A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE LEGAL AUTHORITY TO BIND SUCH ENTITY TO THIS SOFTWARE LICENSE AGREEMENT. IF YOU DO NOT HAVE THE AUTHORITY TO BIND YOUR EMPLOYER, SUCH COMPANY OR OTHER LEGAL ENTITY THAT WILL USE THE SOFTWARE PROGRAM, DO NOT CHECK THE BOX NEXT TO LEXMARK SOFTWARE LICENSE OR PRESS THE ACCEPT BUTTON. EXCEPT TO THE EXTENT THE SOFTWARE PROGRAM IS SUBJECT TO A SEPARATE WRITTEN SOFTWARE LICENSE AGREEMENT BETWEEN YOU (OR THE EMPLOYER, COMPANY OR OTHER LEGAL ENTITY UPON WHOSE BEHALF YOU ARE ACTING) AND LICENSOR, THIS SOFTWARE LICENSE AGREEMENT WILL SUPERSEDE ANY AND ALL AGREEMENTS GOVERNING ANY LICENSES OF THE SOFTWARE PROGRAM PREVIOUSLY GRANTED BY LICENSOR (AND ITS PREDECESSORS IN INTEREST) TO YOU (OR THE EMPLOYER, COMPANY OR OTHER LEGAL ENTITY UPON WHOSE BEHALF YOU ARE ACTING).

FIRMWARE UPDATES

FIRMWARE UPDATES MAY MODIFY PRINTER SETTINGS AND CAUSE COUNTERFEIT AND/OR UNAUTHORIZED PRODUCTS, SUPPLIES, PARTS, MATERIALS (SUCH AS TONERS AND INKS), SOFTWARE, OR INTERFACES TO STOP WORKING.

RETURN PROGRAM AGREEMENT TERMS

Your Lexmark device is subject to the Lexmark Return Program agreement terms, which can be found at www.lexmark.com/printerlicense.

SOFTWARE LICENSE AGREEMENT

This Software License Agreement ("Software License Agreement") is a legal agreement between you (either an individual or a single entity, and includes, if applicable your family group and family members whose Google accounts are joined together for the purpose of creating a family group) and Lexmark International, Inc. (if you are located in the United States) and Lexmark International Technology Sarl and its Affiliates (if you are located in any country other than the United States) ("Licensor") that to the extent your Licensor product or Software Program is not otherwise subject to a written software license agreement between you and Licensor or its suppliers, governs your use of any Software Program provided by Licensor for trial evaluation or use in connection with your Licensor product. The term "Software Program" includes machine-readable instructions, audio/visual content (such as images and recordings), and associated media, printed materials and electronic documentation, whether incorporated into, distributed with or for use with your Licensor product.

1. **DISCLAIMER AND LIMITATION OF WARRANTIES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, LICENSOR AND ITS SUPPLIERS PROVIDE THE SOFTWARE PROGRAM "AS IS" AND HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, TITLE, NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ABSENCE OF VIRUSES, ALL WITH REGARD TO THE SOFTWARE PROGRAM. LICENSOR: (a) UNDERTAKES NO RESPONSIBILITY FOR THE QUALITY OF THE SOFTWARE PROGRAM AND (b) ASSUMES NO RESPONSIBILITY THAT THE SOFTWARE PROGRAM WILL BE FIT FOR ANY PARTICULAR PURPOSE FOR WHICH YOU MAY BE ACQUIRING IT, EXCEPT AS OTHERWISE PROVIDED IN THIS DISCLAIMER.

This Agreement is to be read in conjunction with certain statutory provisions, as that may be in force from time to time, which imply warranties or conditions or impose obligations on Licensor that cannot be excluded or modified.

If any such provisions apply, then to the extent Licensor is able, Licensor hereby limits its liability for breach of those provisions to one of the following: providing you a replacement copy of the Software Program or reimbursement of the greater of the price paid for the Software Program or five U.S. dollars (or the equivalent in local currency).

The Software Program may include internet links to other software applications and/or Internet sites hosted and operated by third parties unaffiliated with Licensor. You acknowledge and agree that Licensor is not responsible in any way for the hosting, performance, operation, maintenance, or content of, such software applications and/or Internet sites.

2. **LIMITATION OF REMEDY.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL LIABILITY OF LICENSOR UNDER THIS SOFTWARE LICENSE AGREEMENT IS EXPRESSLY LIMITED TO THE GREATER OF THE PRICE PAID FOR THE SOFTWARE PROGRAM AND FIVE U.S. DOLLARS (OR THE EQUIVALENT IN LOCAL CURRENCY). YOUR SOLE REMEDY AGAINST LICENSOR IN ANY DISPUTE UNDER THIS SOFTWARE LICENSE AGREEMENT SHALL BE TO SEEK TO RECOVER ONE OF THESE AMOUNTS, UPON PAYMENT OF WHICH LICENSOR SHALL BE RELEASED AND DISCHARGED OF ALL FURTHER OBLIGATIONS AND LIABILITY TO YOU.

IN NO EVENT WILL LICENSOR, ITS SUPPLIERS, SUBSIDIARIES, OR RESELLERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR REVENUES, LOST SAVINGS, INTERRUPTION OF USE OR ANY LOSS OF, INACCURACY IN, OR DAMAGE TO, DATA OR RECORDS, FOR CLAIMS OF THIRD PARTIES, OR DAMAGE TO REAL OR TANGIBLE PROPERTY, FOR LOSS OF PRIVACY), IN CONNECTION WITH THE SOFTWARE PROGRAM, INCLUDING WITHOUT LIMITATION, ANY SUCH DAMAGES RESULTING FROM (a) THE USE OR INABILITY TO USE THE SOFTWARE PROGRAM, (b) THE COST OF PROCURING SUBSTITUTE SOFTWARE, OR (c) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR CONTENT, REGARDLESS OF THE NATURE OF THE CLAIM, INCLUDING BUT NOT LIMITED TO BREACH OF WARRANTY OR CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), AND EVEN IF LICENSOR, OR ITS SUPPLIERS, AFFILIATES, OR REMARKETERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY YOU BASED ON A THIRD-PARTY CLAIM, EXCEPT TO THE EXTENT THIS EXCLUSION OF DAMAGES IS DETERMINED LEGALLY INVALID. THE FOREGOING LIMITATIONS APPLY EVEN IF THE ABOVE-STATED REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.

SOME JURISDICTIONS DO NOT ALLOW EXCLUSION OF CERTAIN WARRANTIES OR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. ACCORDINGLY, SOME OR ALL OF THE ABOVE EXCLUSIONS OR LIMITATIONS MAY NOT APPLY TO YOU, AND YOU MAY HAVE OTHER RIGHTS.

3. **LICENSE GRANT.** Licensor grants you the following rights, provided you comply with all terms and conditions of this Software License Agreement:
 - a. **Use.** Except as provided below, you may Use one (1) copy of the Software Program. The term "Use" means storing, loading, installing, executing, or displaying the Software Program. Copies or versions of Software Program which are identified as trial, test or evaluation copies or versions ("Trial Versions") may be Used by Licensee for internal evaluation purposes only and shall not be relied upon in any manner by Licensee. If Licensor has licensed the Software Program to you for concurrent use or use with a specified and limited number of devices, you must limit the number of authorized users or copies/devices to the number specified in your agreement with Licensor. You may not separate the components of the Software Program for use on more than one computer. You agree that you will not Use the Software Program, in whole or in part, in any manner that has the effect of overriding, modifying, eliminating, obscuring, altering or de-emphasizing the visual appearance of any trademark, trade name, trade dress or intellectual property notice that appears on any display screens. No license to distribute the Software Program in any form is granted under this Software License Agreement.
 - b. **Copying.** You may make one (1) copy of the Software Program solely for purposes of backup, archiving, or

installation, provided the copy contains all of the original Software Program's proprietary notices. You may not copy the Software Program to any public or distributed network.

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ATTACHMENT 8 – LEXMARK EULA



Attachment 8 -
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This Extended Warranty contract will void if payment is not received by Lexmark within thirty (30) days of invoice. If the Customer makes payment to a reseller, the payment must be received by Lexmark within thirty (30) days of invoice in order for the Customer to receive uninterrupted service. Lexmark may terminate Extended Warranty coverage at any time for non-payment. The Customer or Lexmark may terminate the Extended Warranty coverage at any time with three (3) months prior written notice or Lexmark may post an end of service notification on www.lexmark.com. If Extended Warranty coverage is canceled in accordance with these terms, Lexmark will refund to the customer the remaining portion of the warranty price paid on a prorated basis after the notification period.

Additional Rights

Some states do not allow limitations on how long an implied service lasts, or do not allow the exclusion or limitation of incidental or consequential damages. If such laws apply, the limitations or exclusions contained in the terms and conditions of this Warranty Service may not apply.

This Warranty Service gives the Customer certain legal rights. The Customer may also have other legal rights which vary from state to state.

Extended Warranty Descriptions

Exchange Service

If the customer purchases Lexmark's Exchange Extended Warranty, defective printers covered under the warranty will be replaced with an exchange product from Lexmark. The exchange printer will be sent via next business day transportation (where available) for most laser printers and 3-5 day transportation for inkjet printers and consumer laser printers. (See documentation for specific details for your product model.) Unless specified by Lexmark, the Customer is required to return the defective product to Lexmark, in which case, the Customer must pack the product using the packing materials from the exchange product, attach the prepaid return shipping label, and deliver the packaged product to Lexmark's designated shipper. Failure to return the defective product within thirty (30) business days of the Customer's receipt of the exchange product will result in a Customer charge for the full price of the exchange product. The returned product becomes the property of Lexmark. At Lexmark's option, exchange products may be new, repaired, or may be a different model of new or repaired product of equal or greater capabilities. The exchange product becomes the property of the Customer when the defective product is received by Lexmark, at which time the exchange product assumes the remainder of the Extended Warranty from the defective product. The returned product must not be encumbered.

On-site Service

If the customer purchases Lexmark's On-site Extended Warranty, On-site service is provided at the Customer's business or home location. Next Business Day service will generally be provided if the request for service is received by 5:00 p.m., Customer local time, if the service location is within a 50 mile radius of a Lexmark Authorized Service Center (LASC) and overnight (A.M.) Lexmark parts delivery is available to the service location. One (1) additional business day may be required for service locations more than 50 miles from LASC and two (2) additional business days may be required for service in Hawaii and Alaska. Lexmark On-site Extended Warranty service is not available for all products. Please contact Lexmark or review your product documentation to determine if this option is available for your product model.

Repair and Return Service

Certain models are eligible for repair and return of the defective product. If this option is available and the Customer chooses this option, the Customer is responsible for properly packing the product and delivering the product to the Lexmark designated carrier. Lexmark will provide packing materials if the original packing materials are no longer available. The Customer is responsible for any damage resulting from the Customer's improper packing of a product sent to Lexmark. Contact Lexmark to determine if this Repair and Return option is available for your product model. The Repair and Return option generally provides for repair of the product and return to the Customer within 5-7 business days. If a returned product cannot be repaired using commercially reasonable efforts, Lexmark at its discretion may provide a new, refurbished or repaired replacement product.