



**NASPO ValuePoint IT Research & Advisory Services
Arizona Participating Addendum**

Contract No: CTR065613
Contractor: Forrester Research

Arizona Department of
Administration
State Procurement Office
100 N 15th Ave., Suite 402
Phoenix, AZ 85007

In accordance with A.R.S. §41-2632, AAC R2-7-1002, Cooperative Purchasing, the following document shall relay all additional requirements for the State of Arizona in its use and participation in the NASPO Value Point contract for IT Research & Advisory Services as awarded by the State of Minnesota, Lead State, for this competitively procured contract.

Contractors are strongly encouraged to read this document in its entirety. All requirements stated within this document are allowable under any respective Master contract, and shall be viewed as such. Any attempt to modify or change this document without consent from the State of Arizona shall result in the nullification of this contract.

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Table of Contents

OFFER AND ACCEPTANCE FORM.....	3
SCOPE AND PARTICIPATION.....	4
ATTACHMENT A - STATE OF ARIZONA TERMS AND CONDITIONS.....	7
ATTACHMENT B - BOYCOTT OF ISRAEL DISCLOSURE.....	54
ATTACHMENT C – FORCED LABOR OF ETHNIC UYGHURS BAN.....	55



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Arizona Participating Addendum
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Arizona Department of Administration
 State Procurement Office
 100 North 15th Avenue
 Phoenix, AZ 85007

SUBMISSION OF OFFER: The undersigned hereby offers and agrees to provide IT Research & Advisory Services in compliance with all terms, conditions, specifications, and amendments in the Participating Addendum in the Offer indicated by the latest dated version below:

Initial Offer:				
	Date	Signature		
Revised Offers:				
	Date	Signature	Date	Signature
	Date	Signature	Date	Signature
Best and Final Offer:	5/15/23	Chris Finn		
	Date	Signature		

Forrester Research, Inc.

Chris Finn

Offeror company name
60 Acorn Park Drive
Address
Cambridge, MA 02140
City, State, ZIP

Signature of person authorized to sign Offer
Chris Finn, Chief Financial Officer
Printed name and Title
Bradley Belanger, Government Contracts Manager
Contact name and Title
dealdesk@forrester.com
617-613-6260
Contact email address
Contact phone number

CERTIFICATION: By signature in the above, Offeror certifies that it:

- Will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Orders 2023-01, 2009-09 or A.R.S. §§ 41-1461 through 41-1465;
- Has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or Service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause will result in rejection of the Offer. Signing the Offer with a false statement will void the Offer, any resulting contract, and may be subject to legal penalties under law;
- Complies with A.R.S. § 18-132 when offering electronics or information technology products, Services, or maintenance;
- Has submitted this Offer as a firm offer for 180 days following the Solicitation due date and time per the Instructions to Offers. Any extensions to the Offer Acceptance Period shall be made in accordance with the A.A.C. R2-7-C310;
- Did not and will not involve collusion or other anti-competitive practices; and
- Is not debarred from, or otherwise prohibited from, participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF OFFER

The offer is hereby accepted.

The Contractor is now bound to sell the Materials or Services listed by the attached Contract and based upon the Solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by the State.

The Contract shall henceforth be referred to as Contract No. **CTR065613**

The effective date of the Contract is

The Contractor is cautioned not to commence any billable work or to provide any Material or Service under this Contract until Contractor receives purchase order, contract release document, or written notice to proceed.

State of Arizona Awarded this 15th

day of May 20 23

John R
 Procurement officer signature

PARTICIPATING ADDENDUM



IT RESEARCH & ADVISORY SERVICES

Led by the **State of Minnesota**

Master Agreement #: 186841

Contractor: **FORRESTER RESEARCH**

Participating Entity: **STATE OF ARIZONA**

Scope and Participation:

1. Scope:

- ☒ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement.
- ☐ This Participating Addendum includes the entire scope of the products and services available through the Master Agreement, except the following:

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

2. Participation: This Participating Addendum covers participation of Participating Entity in the above-referenced Master Agreement between the State of Minnesota and Contractor for Information Technology Research & Advisory Services. This Participating Addendum may be used by all State Agencies as well as members of the State of Arizona Purchasing Cooperative. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Term:

- ☒ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate upon the expiration or termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.
- ☐ This Participating Addendum shall become effective as of the date of the last signature below and shall terminate on [date], unless terminated sooner or otherwise amended in accordance with the terms set forth herein. Notwithstanding the previous, in no event shall the term of the Participating Addendum exceed the term of the Master Agreement, as amended.

4. Primary Contacts: The following (or their named successors) are the primary contact individuals for this Participating Addendum:

PARTICIPATING ADDENDUM**IT RESEARCH & ADVISORY SERVICES**Led by the **State of Minnesota****CONTRACTOR: Forrester Research, Inc.**

Name:	Drew Jaehnig
Address:	8180 Greenboro Drive, Suite 750, McLean, VA 22102
Telephone:	703-584-2650
Fax:	
Email:	djaehnig@forrester.com

PARTICIPATING ENTITY: State of Arizona

Name:	Rana Schultz
Address:	
Telephone:	602-851-1462
Fax:	
Email:	Rana.schultz@azdoa.gov

5. Participating Entity Modifications and Additions to the Master Agreement

[Removable Instruction: Check one of the boxes below. If Participating Entity has no changes or additions to the terms and conditions of the Master Agreement, check the first box.]

☐ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor.

☒ This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor, **subject to the following limitations, modifications, and additions:**

Any limitations, modifications, or additions specified herein apply only to the agreement and relationship between Participating Entity and Contractor and shall not amend or affect other participating addendums or the Master Agreement itself.

5.1. Definition

5.1.1. "Contract" For the purpose of this Participating Addendum, the term Contract refers to the NASPO ValuePoint Master Agreement resulting from the NASPO ValuePoint Solicitation, as defined therein, and as modified by this Participating Addendum (including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work) and any Amendments to either the NASPO ValuePoint Master Agreement or the Participating Addendum.

- 5.2. The following attachments are hereby incorporated into this Participating Addendum “MPA”:
 - 5.2.1. Attachment A – State of Arizona Terms and Conditions
 - 5.2.2. Attachment B – Boycott of Israel Disclosure
 - 5.2.3. Attachment C – Forced Labor of Ethnic Uyghurs Ban
6. Master Contract and Participating Addendum Order of Precedence
 - 6.1 Contract Amendments
 - 6.2 State of Arizona Participating Addendum
 - 6.3 Minnesota NASPO ValuePoint Master Agreement
 - 6.4 The Solicitation including all Addendums; and
 - 6.5 Contract Vendors response to the Solicitation.
7. Subcontractors: All contractors, dealers, and resellers authorized to provide sales and service support in Participating Entity’s state, as shown on Contractor’s NASPO ValuePoint-specific webpage, may provide sales and service support to users of this Participating Addendum. Participation of Contractor’s contractors, dealers, and resellers will be in accordance with the terms and conditions set forth in the Master Agreement.
8. Orders: Any order placed by Participating Entity or a Purchasing Entity for a product or service offered through this Participating Addendum shall be deemed to be a sale under, and subject to the pricing and other terms and conditions of, the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to the order.

For questions regarding NASPO ValuePoint Participating Addendums, please contact the Cooperative Contract Coordinator team at ccc@naspovaluepoint.org.

Fully executed NASPO ValuePoint Participating Addendums must be submitted via email in PDF format to pa@naspovaluepoint.org.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

[Special Terms and Conditions](#)

The Special Terms and Conditions modify the Uniform Terms and Conditions. It can modify them by replacing, deleting, appending to, or revising the text of an existing provision or by inserting a new paragraph into an existing article. No other document modifies or adds to the Uniform Terms and Conditions, except as may subsequently be otherwise and expressly agreed and incorporated by Contract Amendment.

1. Definition of Terms: As used in the Contract, the terms listed below are defined as follows:
 - 1.1. Acceptance: The document titled "Offer and Acceptance Form" bearing the state contract number once Procurement Officer has signed it to signify (1) State's formal acceptance of the Accepted Offer and (2) the formation of the Contract. For clarity of intent, the foregoing is not to be confused with the term "acceptance" used throughout the Contract in the context of delivery, inspection, etc., with respect to Materials or Services.
 - 1.2. Accepted Offer:
 - 1.2.1. If State did not request a Revised Offer, then "Accepted Offer" means the Initial Offer.
 - 1.2.2. If State requested a Revised Offer but not a Best and Final Offer, then "Accepted Offer" means the latest Revised Offer.
 - 1.2.3. If State requested a Best and Final Offer, then "Accepted Offer" means the Best and Final Offer.
 - 1.3. Arizona Procurement Code: The Arizona Procurement Code consists of Arizona Revised Statutes (A.R.S.) §§ 41-2501 *et seq.* and Arizona Administrative Code (A.A.C.) R2-7-101 *et seq.* There is additional information in the Solicitation Instructions regarding how to access these state statutes and rules.
 - 1.4. Arizona Transaction Privilege Tax (TPT): For information, refer to the Arizona Department of Revenue (DOR) website at: <https://azdor.gov/transaction-privilege-tax-tpt>
 - 1.5. Attachment. Any item that:
 - 1.5.1. The Solicitation required Offeror to submit as part of the Offer (e.g., Initial Offer, Revised Offer, or Best and Final Offer);
 - 1.5.2. Was attached to an Offer when submitted; and
 - 1.5.3. Was included in the Accepted Offer.
 - 1.6. Pricing Document: The Pricing Section of the Special Terms and Conditions; provided that, if there is no such Section in the Contract, then "Pricing Document" is to be construed as referring to whatever item in the Contract contains the contracted pricing and payment provisions.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 1.7. Contract Terms and Conditions: The Special Terms and Conditions and the Uniform Terms and Conditions taken collectively.
- 1.8. Contractor: The Person identified on the Accepted Offer who has entered into the Contract with the State.
- 1.9. Contractor Indemnitor: Contractor or any of its owners, officers, directors, agents, employees, or Subcontractors.
- 1.10. Co-Op Buyer: A member of the State Purchasing Cooperative that has entered into a "Cooperative Purchasing Agreement" with the Arizona Department of Administration State Procurement Office under A.R.S. § 41-2632. Unless there is an applicable Cooperative Purchasing Agreement in effect at the time, a State Purchasing Cooperative member cannot be a Co-Op Buyer. For reference, "Co-Op Buyer" is to be construed as encompassing an "eligible procurement unit" under A.A.C. R2-7-101(23).

NOTE: Membership in the State Purchasing Cooperative is open to all Arizona political subdivisions, including cities, counties, school districts, and special districts. Membership is also available to non-profit organizations, other state governments, the federal government and tribal nations. For reference, "non-profit organizations" are defined in A.R.S. § 41-2631(4) as any nonprofit corporation as designated by the I.R.S. under Section 501(c)(3) through 501(c)(6) of the tax code.

- 1.11. Eligible Agency:
 - 1.11.1. If the Special Terms and Conditions indicate that the Contract is a "single-agency" contract, then "Eligible Agency" means the particular State of Arizona agency, university, commission, or board identified therein.
 - 1.11.2. If the Special Terms and Conditions indicate that the Contract is a mandatory statewide contract, then "Eligible Agency" means any State of Arizona department, agency, university, commission, or board.
 - 1.11.3. If the Special Terms and Conditions indicate that the Contract is a "cooperative" contract available for use by Co-Op Buyers, then "Eligible Agency" means any State of Arizona department, agency, university, commission, board, or any Co-Op Buyer.
- 1.12. Instructions to Offerors: "Instructions to Offerors" means the Solicitation Instructions document of the Solicitation.
- 1.13. Order: The instrument by which the Eligible Agency or Co-Op Buyer authorizes a Contractor to perform some or all of the Work. Whether the Contract will have one Order or many Orders depends on the scope of the Contract and how the State will use it. The Special Terms and Conditions provide that information. Any of the following are construed as an "Order": "Purchase order," "task order," "service order," or "job order".



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 1.14. The State's eProcurement System: The State's official electronic procurement system, established pursuant to A.A.C. R2-7-201 as set forth in the Arizona Department of Administration State Procurement Office policy document Technical Bulletin No. 020, The State's eProcurement System–The Official State eProcurement System. Technical Bulletin No. 020 is available online at:

https://spo.az.gov/sites/default/files/documents/files/TB_020_APP_20181024.pdf

- 1.15. State: With respect to the Contract generally, "State" means the State of Arizona and its department, agency, university, commission, or board that has executed the Contract. With respect to administration or rights, remedies, obligations and duties under the Contract for a given Order, "State" means each Eligible Agency or Co-Op Buyer who has issued the Order.
- 1.16. State Indemnitees: Collectively, the State of Arizona, its departments, agencies, universities, commissions, and boards and, and their respective officers, agents, and employees.
- 1.17. Work: The totality of the Materials and the Services and all the acts of administration, creation, production, and performance necessary to fulfill and incidental to fulfilling all of Contractor's obligations and duties under the Contract in conformance with the Contract and applicable laws.

2. Contract Interpretations

2.1. Usage. Where the Contract:

- 2.1.1. assigns obligations to Contractor, any reference to "Contractor" is to be construed to be a reference to the Contractor and all Subcontractors, whether they are first-tier Subcontractors, sub-subcontractors, suppliers, sub-suppliers, consultants, or sub-consultants, as well as all of Contractor's and the Subcontractor's respective agents, representatives, and employees in every instance unless the context plainly requires that it is a reference only to Contractor as apart from Subcontractors.
- 2.1.2. uses the permissive "may" with respect to a party's actions, determinations, etc., the terms is to be interpreted as in A.A.C. R2-7-101(32) [Definitions]. For clarity of intent, any right given to State using "State may" or a like construction denotes discretion and freedom to act so far as any regulatory or operative constraints permit in the relevant circumstances, provided that: (a) where written "may, at its discretion," the discretion extends to whatever is most advantageous to State; and (b) where written only as "may," the discretion is constrained by what is fair, reasonable, and as accommodating of the respective best interests of both parties as practicable under the circumstances;



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 2.1.3. uses the imperative “shall” with respect to a party’s actions, duties, etc., the term is to be interpreted as in A.A.C. R2-7-101(44) [*Definitions*]. Conversely, the phrase “shall not” is to be interpreted as an imperative prohibition.
- 2.1.4. uses the term “must” with respect to a requirement, criterion, etc., the term is to be interpreted as conveying compulsion or strict necessity;
- 2.1.5. uses the term “might” with respect to an event, outcome, action, etc., the term is to be interpreted as conveying contingency or non-discretionary conditionality; and
- 2.1.6. uses the term “will” or the phrases “is to be” or “are to be” with respect to an event, outcome, action, etc., the term or phrase is to be interpreted as conveying such certainty or imperativeness that “shall” is either unnecessary or irrelevant in that instance.

2.2. Master Contract and Participating Addendum Order of Precedence

- 2.2.1. Complementary Documents. All of the documents forming the Contract are complementary. If certain work, requirements, obligations, or duties are set out only in one but not in another, Contractor shall carry out the Work as though the relevant Work, requirements, obligations, or duties had been fully described in all, consistent with the other documents forming the Contract and as is reasonably inferable from them as being necessary to produce complete results.
- 2.2.2. Conflicts. In case of any inconsistency, conflict, or ambiguity among the documents forming the Contract and their provisions, they are to prevail in the following order, descending from most dominate to most subordinate, provided that, among categories of documents or provisions having the same rank, the document or provision with the latest date prevails. Information being identified in one document, but not in another, is not to be considered a conflict or inconsistency.
 - 2.2.2.1. Contract Amendments;
 - 2.2.2.2. State of Arizona Participating Addendum;
 - 2.2.2.3. NASPO ValuePoint Master Agreement;
 - 2.2.2.4. The Solicitation including all Addendums; and
 - 2.2.2.5. Contract Vendors response to the Solicitation
- 2.2.3. Attachments and Exhibits. For clarity of intent, if an item was an Attachment in the Solicitation Documents or an Offer (either Initial, Revised, Best and Final, or Accepted) and was subsequently made into an Exhibit, or its content was incorporated into one of the other Contract documents, then that Attachment no



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

longer exists contractually as an “Attachment” since it has at that point been made into some other Contract document. In every other case, an Attachment and the Offeror data therein remain part of the Accepted Offer for purposes of precedence and contractual effect.

3. Contract Administration and Operation

3.1. Term of Contract. The term of the Contract will commence on the date indicated on the Acceptance and continue through January 18, 2026 unless canceled, terminated, or permissibly extended.

3.2. Contract Extensions. In the event the NASPO Master Agreement has been extended beyond January 18, 2026, the State may at its discretion extend the initial Contract term in increments of one (1) or more months and do so one or more times, provided that the maximum aggregate term of the Contract including extensions do not exceed the maximum aggregate term of five (5) years.

3.3. Notices and Correspondence

3.3.1. To Contractor. State shall address all Contract correspondence other than formal notices to the email address indicated as “Default for Type” for “General Mailing Address” in Contractor’s corresponding State’s eProcurement System Vendor Profile; and address any required notices to Contractor to the “Contact Name and Title” at the “Mailing Address” indicated on the Accepted Offer, as that address might have been amended during the term of the Contract.

3.3.2. To State. Contractor shall address all Contract correspondence other than format notices to the email address indicated in “Contact Instructions” in the State’s eProcurement System Summary for State; and address any required notices to State via email to the Procurement Officer identified as “Purchaser” in the State’s eProcurement System and via mail to the following mailing address:

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue, Suite 305
Phoenix, AZ 85007

3.3.3. Changes. State may change the designated Procurement Officer, update contact information, or change the applicable mailing address.

3.4. Signing of Contract Amendments. Contractor’s counter-signature (or “approval” in the State’s eProcurement System, in the case of an amendment) is not required to give effect if the Contract Amendment only covers either:

3.4.1. extension of the term of the Contract within the maximum aggregate term; or



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 3.4.2. modifications of a clerical nature that have no effect on terms, conditions, price, scope, or other material aspect of the Contract.

In every case other than those listed in 3.4.1 and 3.4.2 above, both parties' signatures (or "approval" in the State's eProcurement System in the case of an Amendment) are required to give it effect.

- 3.5. Click-through Terms and Conditions. If either party uses a web-based ordering system, an electronic purchase order system, an electronic order acknowledgement, a form of an electronic acceptance, or any software based ordering system with respect to the Contract (each an "Electronic Ordering System"), the parties acknowledge and agree that an Electronic Ordering System is for ease of administration only, and Contractor is hereby given notice that the persons using Electronic Ordering Systems on behalf of State do not have any actual or apparent authority to create legally binding obligations that vary from the terms and conditions of the Contract. Accordingly, where an authorized State user is required to "click through" or otherwise accept or be made subject to any terms and conditions in using an Electronic Ordering System, any such terms and conditions are deemed void upon presentation. Additionally, where an authorized State user is required to accept or be made subject to any terms and conditions in accessing or employing any Materials or Services, those terms and conditions will also be void.

3.6. Books and Records

- 3.6.1. Retain Records. In addition to the audit rights detailed in the Uniform Terms and Conditions, State also requires that, pursuant to A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to any cost and pricing data submitted in satisfaction of § 41-2543 for the period specified in the statute.

- 3.6.2. Usage Information. Additionally, any and all information (including, but not limited to, documentation or Data) related to Eligible Agency and Co-Op Buyer usage retained solely within the Contractor's system (for example, related to punch-out or Contractor catalog sales) shall be considered public information or information that can be shared with and distributed by the State freely and for any purpose under the State's government purpose rights detailed in Section 3 of the Uniform Terms and Conditions [Ownership of Intellectual Property]. Any modifications to this Contract notwithstanding, the State shall have free use of any and all information related to Eligible Agency or Co-Op Buyer purchasing. Upon request by the State, Contractor shall promptly provide the State with any usage information requested and shall not attempt to limit the State's use in any way. For clarity, usage information referenced in this section does not include any Contractor Works (as defined in the NASPO ValuePoint Master Services Agreement).



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

3.6.3. Right To Audit. The retained books and records are subject to audit by State during that period. Pursuant to A.R.S. § 41-2548(B), Contractor shall retain and shall contractually require each Subcontractor to retain books and records relating to performance under the Contract for the period specified in the statute and those retained books and records are subject to audit by State during that period.

3.6.4. Auditing. Contractor or Subcontractor shall either make all such books and records under subparagraphs 3.6.1 and 3.6.2 available to State at all reasonable times or produce the records at a designated State office on State's demand, the choice of which being at State's discretion. For the purpose of this paragraph, "reasonable times" are during normal business hours and in such a manner so as to not unreasonably interfere with normal business activities.

3.7. Subcontract

3.7.1. Initial list. At the time of Contract execution, Contractor's candidate Subcontractors were identified in Attachment Proposed Subcontractors to the Accepted Offer [Proposed Subcontractors]. Agreeing to them being included in the Accepted Offer signified Procurement Officer's advance consent for Contractor to enter into a Subcontract with each candidate, which Contractor shall do as promptly as necessary to ensure its ability to carry out the Work in a timely manner.

3.7.2. Additional names. Contractor shall not enter into a Subcontract to perform Work under the Contract, without first obtaining Procurement Officer's written consent with any prospective Subcontractor that (a) was not listed on the Attachment Proposed Subcontractors at time of Contract execution or (b) is for any Materials or Services categories other than the ones for which they were previously consented. For either case (a) or (b), Contractor shall submit a written request sufficiently in advance of the need date for those materials or services so that performance under the Contract is not impaired. Procurement Officer may request any additional information he or she determines is necessary to assess the submittal, and may withhold consent pending it. Approval of additional subcontractors shall be added to the Contract by a bilateral Contract Amendment.

3.7.3. Flow-down. Contractor shall incorporate the provisions, terms, and conditions of the Contract into every Subcontract by inclusion or by reference, as appropriate. When making any post-execution consent requests, Contractor shall include its warrant that it will do the same for the pending Subcontracts covered by the request. Entering into Subcontracts will not relieve Contractor of any of its obligations or duties under the Contract, including, among other things, the duty to supervise and coordinate the work of Subcontractors. Nothing contained in



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

any Subcontract will create or is to be construed as creating any contractual relationship between State and the Subcontractor.

3.8. Orders

3.8.1. Order Sufficiency. The Contract was awarded in accordance with the Arizona Procurement Code; the transactions and procedures required by the Arizona Procurement Code for competitive source selection have been met. An Order issued that cites the correct State contract number will suffice to authorize the Contractor to provide the Materials and perform the Services covered by that Order.

3.8.2. Order Terms. All Orders are subject to the Contract Terms and Conditions; an Order cannot modify the Contract Terms and Conditions. Any Contractor terms unilaterally added to quotes or to Eligible Agency or Co-Op Buyer Orders are null and void.

3.8.3. Orders are Obligatory. Until the expiration or earlier termination of the Contract, State may issue and Contractor shall accept Orders that make proper reference to the Contract and are permissible hereunder, provided that, Contractor is not obliged to accept any Order that is not consistent with the then-current pricing, lead times, specifications, or payment provisions of the Contract. Contractor shall fulfill and complete any Orders that are begun but not yet completed as of expiration or earlier termination of the Contract unless State instructs otherwise at the time.

3.8.4. No Minimums or Commitments. (a) Contractor shall not impose any minimum dollar amount, item count, services volume, or services duration on Orders; (b) State makes no commitment of any kind concerning the quantity or monetary value of activity actually initiated or completed during the term of the Contract; (c) Contractor shall only deliver or perform as authorized by Orders; and (d) State is not limited as to the number of Orders it may issue for the Contract. For clarity of intent, the foregoing applies equally whether an Eligible Agency issues the Order or, if applicable, a Co-Op Buyer issues it.

3.8.5. Non-contracted Materials or Services. Any attempt to knowingly represent for sales, marketing, or related purposes that Materials or Services not specifically awarded are under a State contract is a violation of the Contract and law.

3.9. Order Cancellations. State may cancel Orders within a reasonable period after issuance and at its discretion. The same method used for ordering will be used for cancellation.

3.9.1. If State cancels an Order, then State shall:



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 3.9.1.1. pay Contractor for any portion of the Materials and Services from that Order that have been properly delivered or performed as of the cancellation effective date; and
 - 3.9.1.2. reimburse Contractor for actual, documented costs incurred in fulfilling the Order up to the cancellation effective date and the cost of any obligations incurred in fulfilling the Order up to the cancellation effective date that demonstrably cannot be canceled or that have pre-established cancellation penalties specified in the relevant Subcontracts, to the extent the penalties are reasonable and customary for the work in question.
- 3.9.2. Contractor shall not charge or be entitled to charge State for any new costs it incurs after receiving the cancellation notice; State is not liable for any Materials that were produced, shipped, or delivered, or Services that were performed before Contractor had acknowledged the corresponding Order.
- 3.9.3. State shall also be able to cancel Orders freely and without any further obligation at any time prior to Contractor's formal acknowledgement of the Order.
- 3.10. The Contract is a mandatory statewide contract (per A.A.C. R2-7-607) for multiple purchases, projects, or assignments, and a cooperative contract (per A.R.S. § 41-2632 and A.A.C. R2-7-1002(B)) that can be purchased against by some or all Eligible Agencies and any Co-Op Buyers that elect to participate. Even if only one Eligible Agency needs or elects to purchase against the Contract, it is to be construed as being a cooperative contract hereunder.
 - 3.10.1. Contractor shall verify if an ordering entity is a current Co-Op Buyer before selling Materials to or providing Services for them under the Contract. The current list of Co-Op Buyers is available on the State Procurement Office website:
<https://spo.az.gov/programs/cooperative>
 - 3.10.2. Contractor shall sell to Co-Op Buyers at the same price and on the same lead times and other terms and conditions under which it sells to Eligible Agencies, with the sole exception of any legitimately additional costs for extraordinary shipping or delivery requirements if the Co-Op Buyer is having Materials delivered or installed or Services performed at locations not contemplated in the contracted pricing (e.g. delivery to a location outside Arizona).
 - 3.10.3. Contractor shall pay State an administrative fee against all Contract sales to Co-Op Buyers, as provided for under A.R.S. § 41- 2633. The fee rate is one (1%) percent. Failure to remit the administrative fees is a material breach of contract, and will entitle the State to its remedies under Contract Terms and Conditions Section 8 and its right to terminate for default under Section 9.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

Method of calculation, payment procedures, and other details are provided on the State Procurement Office website:

<https://spo.az.gov/suppliers/usage-reporting>.

- 3.10.4. Contractor shall submit to State a quarterly usage report documenting all Contract sales to both Eligible Agencies and Co-Op Buyers, itemized separately. Contractor shall further itemize divisions, groups or areas within a given Eligible Agency if they place Orders independently of each other. Failure to submit the report is a material breach of contract, and will entitle the State to its remedies under Contract Terms and Conditions Section 8 and its right to terminate for default under Section 9. Contractor shall submit the report using the forms and following the instructions on the State Procurement Office website:

<https://spo.az.gov/suppliers/usage-reporting>.

- 3.10.5. Contractor shall acknowledge each Order from Eligible Agencies within one (1) business day after receipt by either: (a) "approving" the Order electronically in the State's eProcurement System, which will indicate Contractor's unqualified acceptance of the Order as-issued; or (b) "rejecting" the Order electronically in the State's eProcurement System, with a concurrent explanation by email to relevant originator as to the reason for rejecting it. By way of reminder, the only grounds on which the Contractor may reject or refuse an Order are those set out in subparagraph 3.8.3 [*Orders are Obligatory*]. Unless and until Contractor has approved the Order in the State's eProcurement System, it will have no effect under the Contract and will not oblige either State or Contractor. If the relevant Eligible Agency explicitly instructs at the time that a verbal acceptance is sufficient because of urgency or other unusual circumstances and Contractor duly gives its verbal acceptance, then Contractor will be deemed to have accepted the Order immediately upon commencing performance, provided that, Contractor must follow-up its verbal acceptance by accepting the Purchase Order electronically in the State's eProcurement System within three (3) business days. Contractor shall thereafter be barred from subsequently rejecting the Order in the State's eProcurement System and if it does so the rejection will be void.
- 3.10.6. Contractor shall acknowledge each Order from Co-Op Buyers in conformance with each Co-Op Buyer's instructions given at the time of ordering or in any supplemental participating agreement Contractor might have with them. Orders from Co-Op Buyers create no obligation on State's part, since they are entirely between the Co-Op Buyer and Contractor. That notwithstanding, Contractor's obligation under the Contract is to service Co-Op Buyers commercially as though



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

they were with an Eligible Agency, and Contractor's refusal to do so would be a material breach of the Contract.

3.11. Multiple-Use Provisions. Eligible Agencies may issue Orders for Services in several forms, all of which become final and effective by a Purchase Order in the State's eProcurement System. Orders issued by Co-Op Buyers will be in whatever form the Co-Op Buyer normally uses. Regardless of origin, Orders must cite the State contract number to be valid. State may, at its discretion in each instance, determine the scope, schedule, and price for each Order in any of the following ways:

- 3.11.1. By choosing some or all of the Materials or Services items covered by the Contract for which a price is established in the Contract, then preparing an Order using those prices (e.g. filling out an order form), and sending it to the Contractor;
- 3.11.2. By instructing Contractor to provide a comprehensive proposal of item quantities, combinations, etc., or services hours, personnel, etc., for a defined scope using those established prices as a basis, then validating and negotiating the proposal with Contractor and issuing an Order if and when reaching agreement;
- 3.11.3. As described in 3.11.2 above but requesting the proposal from both Contractor and other vendors who are contracted within the applicable scope categories and locations, either sequentially or concurrently, then selecting the proposal or proposals combination that is most advantageous to State; or
- 3.11.4. As described in 3.11.3 above but introducing ad-hoc commercial competition by making the selection and ordering conditional on obtaining more favorable prices than the contractually-established ones.

3.12. Work on State Premises

- 3.12.1. Compliance With Rules. Contractor is responsible for ensuring that its personnel comply with State's rules, regulations, policies, documented practices, and documented operating procedures while delivering or installing Materials or performing Services on State's grounds or in its facilities. For clarity of intent, the foregoing means that if Contractor is required to comply with certain security requirements in order to deliver, install, or perform at that particular location, then it shall do so nonetheless and without entitlement to any additional compensation or additional time for performance if those particular requirements are not expressly stated in the Contract. Contractor is reminded that violation of the prohibition under A.R.S. § 13-1502 against possession of weapons on State's property by anyone for whom Contractor is responsible is a material breach of contract and grounds for termination for default.
- 3.12.2. Protection Of Grounds And Facilities. Contractor shall deliver or install the Materials and perform the Services without damaging any State grounds or facilities. Contractor shall repair or replace any damage it does cause promptly and at its own expense, subject to whatever instructions and restrictions State



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

needs to make to prevent inconvenience or disruption of operations. If Contractor fails to make the necessary repairs or replacements in a timely manner, State will be entitled to exercise its remedies under paragraph 8.5 of the Uniform Terms and Conditions [Right of Offset].

3.13. Transitions

3.13.1. During commencement, Contractor shall attend transition meetings with any outgoing suppliers to coordinate and ease the transition so that the impact on State's operations is kept to a minimum. State may elect to have outgoing suppliers complete some or all of their Work or Orders in progress, even if that Work could be covered under the incoming supplier's Contract. Conversely, the State may have a continued need for the same Materials and Services upon expiration or earlier termination of the Contract. Accordingly, Contractor shall work closely with any incoming supplier and State to ensure as smooth and complete a transition transfer as is practicable.

3.13.2. Eligible Agency or Co-Op Buyers representative will coordinate all transition activities and facilitate joint development of a comprehensive transition plan by both Contractor and the incoming supplier. As with the incoming transition, State may permit Contractor, when Contractor is outgoing, to complete work or orders in progress to ease the transition as is safest and most efficient in each instance.

3.13.3. RESERVED

4. Costs and Payments

4.1. Type of Pricing. The Contract pricing shall be firm, fixed price.

4.1.1. Reserved

4.2. Pricing is all-inclusive, including any ancillary fees and costs required to accomplish the Scope of Work and all aspects of Contractor's offer as accepted by State.

4.2.1. Details of service not explicitly stated in the Scope of Work or in Contractor's Offer, but necessarily a part of, are deemed to be understood by Contractor and included herein. All administrative, reporting, or other requirements, all overhead costs and profit and any other costs toward the accomplishment of the requirements in the Contract are included in the pricing provided.

4.2.2. Additional Charges. Any charges or fees not delineated in the Contract shall not be added, billed, or invoiced under the Contract.

4.3. Price Increase. The State may review a fully documented request for a price increase. The requested increase shall be in writing and be based upon a cost increase to the contractor that was clearly unpredictable at the time of the offer and is directly correlated



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

to the price of the product concerned. Contractor must provide conclusive evidence of a need for any price increases.

4.3.1. Initial Contract prices shall be honored for one year after award of Contract.

4.3.2. All written requests for price adjustments made by the Contractor shall be initiated thirty (30) days in advance of any desired price increase to allow the State sufficient time to make a fair and equitable determination to any such requests. This may be waived upon proper documentation demonstrating the urgency of the request.

4.3.3. All price adjustments will be implemented by a formal Contract Amendment. State shall determine whether the requested price increase or an alternate option is in the best interest of the State.

4.3.4. State expects Contractors to use Lean Six Sigma principles to reduce costs in their supply chain, and not simply pass new costs on to the State. If a price increase is requested, State will ask for evidence that Lean Six Sigma principles and tools have been used by Contractor to attempt to reduce costs in advance of any request for a price increase under the Contract.

4.4. Price Reductions. Price reductions shall be immediately passed along to State and may be submitted in writing to State for consideration at any time during the Contract period. The contractor shall offer State a price reduction on the Contract product(s) concurrent with a published price reduction made to other customers. The State at its own discretion may accept a price reduction. Price reductions accepted do not impact Orders already in effect at the time of acceptance. The price reduction request shall be in writing and include documentation showing the actual reduction of cost. Sales promotions requests shall include differences in pricing, begin, and end date of promotion along with the products covered.

4.5. Travel. Contractor shall request and receive written approval prior to any travel under the Contract in which reimbursement of expenses will be requested. Contractor will be reimbursed for actual expenses incurred in accordance with the current rates specified in the State's Travel Policy. Contractor shall itemize all per diem and lodging charges. State Travel Policy, including State rates, may be located at <https://gao.az.gov/travel>. Eligible Agency or State shall reject any claim for travel reimbursement for which Contractor did not receive prior written approval.

4.6. Funding

No particular funding considerations apart from Uniform Terms and Conditions Sections 4.5 [Availability of Funds for the Next State Fiscal Year] and 4.6 [Availability of Funds for the Current State Fiscal Year] have been identified.

4.7. Invoicing



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 4.7.1. Invoices Go To Ordering Entity. Contractor shall submit all billing notices or invoices to the ordering Eligible Agency or Co-Op Buyer at the address indicated on the applicable Order document or by utilizing the Ordering Entity's purchasing tool/process.
- 4.7.2. Minimum Invoice Requirements. Every invoice shall include the following information:
- 4.7.2.1. Bill-to name and address;
 - 4.7.2.2. Contractor name and contact information;
 - 4.7.2.3. Remit-to address;
 - 4.7.2.4. Invoice number and date;
 - 4.7.2.5. State contract number;
 - 4.7.2.6. Order number (APP PO number);
 - 4.7.2.7. Material or Service description (itemized);
 - 4.7.2.8. Date(s) Services were performed or Materials were delivered;
 - 4.7.2.9. Applicable payment terms;
 - 4.7.2.10. Quantity delivered or performed;
 - 4.7.2.11. Line item unit of measure;
 - 4.7.2.12. Item price;
 - 4.7.2.13. Extended pricing;
 - 4.7.2.14. Receipt for pass-through expenses (if applicable);
 - 4.7.2.15. Taxes (as a separate invoice line item), including the percentage used to calculate taxes;
 - 4.7.2.16. Mailing fees (if applicable); and
 - 4.7.2.17. Total invoice amount due.
- 4.7.3. No Invoice Without Authorization. Contractor shall not seek payment for any:
- 4.7.3.1. Materials or Services that have not been authorized on an acknowledged Order;
 - 4.7.3.2. Expediting, overtime, premiums, or upcharges absent State's express prior approval; or
 - 4.7.3.3. Materials or Services that are the subject of a Contract Amendment that has not been fully signed by the Procurement Officer.
- 4.7.4. Submitting Invoices. Contractor shall submit an invoice to the ordering Eligible Agency or Co-Op Buyer using the form and/or process required by the ordering Eligible Agency or Co-Op Buyer. Every invoice must be accompanied by all supporting information and documentation required by the Contract and applicable laws.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

4.7.5. Defective Invoices. Without prejudice to its other rights under the Contract or further obligation to Contractor, the ordering Eligible Agency or Co-Op Buyer may, at its discretion, reject any materially defective invoice.

4.7.5.1. The ordering Eligible Agency or Co-Op Buyer shall notify the Contractor within five (5) business days after receipt if it determines an invoice to be materially defective.

4.7.5.2. Invoices will be deemed automatically rejected upon delivery if they: are sent to an incorrect address, do not reference the correct State contract and Purchase Order number, or are payable to any Person other than the Contractor.

4.7.5.3. The ordering Eligible Agency or Co-Op Buyer shall have no obligation to pay against a defective invoice unless and until Contractor has re-submitted it free of defects.

4.8. Payments

4.8.1. Payment Deadline. State shall make payments in compliance with Arizona Revised Statutes Titles 35 and 41. Unless and then only to the extent expressly stated otherwise in the Pricing Section of the Special Terms and Conditions above, State shall make payment in full for Materials that have been delivered and accepted and Services that have been performed and accepted within the time specified in A.R.S. § 35-342, after both of the following occur: (a) all of the Materials being invoiced have been delivered or installed (as applicable) and accepted and all of the Services being invoiced have been performed and accepted; and (b) Contractor has provided a complete and accurate invoice in the form and manner called for in the Contract, provided that, State will not make or be liable for any payments to Contractor until Contractor has registered properly in the State's eProcurement System and provided a current I.R.S. Form W-9 to State unless excused by law from providing one.

4.8.2. Payments Only To Contractor. Unless an assignment and assumption agreement has been reached between the Contractor and State pursuant to Section 5.2 of the Special Terms and Conditions [Assignment and Delegation] or the State has been otherwise compelled by operation of law or order of a court of competent jurisdiction, State will only make payment to Contractor under the federal tax identifier indicated on the Accepted Offer.

4.8.3. Payment. The applicable Eligible Agency or Co-Op Buyer shall pay undisputed amounts due to Contractor within the time period specified in Section 4 Costs and Payments of the Uniform Terms and Conditions.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 4.8.4. Joint Checks or Direct Pay. Applicable Eligible Agency or Co-Op Buyer may, but is under no obligation to, pay by joint check or to pay directly to any Subcontractor or other creditor to whom any portion of Contractor's requested payment is owed.
- 4.8.5. Recovery of Overpayment. If applicable, Eligible Agency or Co-Op Buyer determines that an overpayment has been made to Contractor on any prior invoice, it shall inform Contractor of the amount and date of the overpayment and may deduct the overpaid amount from amounts then or thereafter due to Contractor.
- 4.8.6. Purchasing Card. Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders using a purchasing card. Any and all fees related to payment using a purchasing card (also called a p-card) are the responsibility of the Contractor. Unless otherwise stated in the Contract, there will be no additional fees or increase in prices associated with this method of payment.
- 4.8.7. Automated clearing house. Applicable Eligible Agency or Co-Op Buyer may pay invoices for some or all Orders through an Automated Clearing House (ACH). In order to receive payments in this manner from Eligible Agencies, the Contractor must complete an ACH Vendor Authorization Form (form GAO-618) within 30 (thirty) days after the effective date of the Contract. The form is available online at: <https://gao.az.gov/publications/forms>.

4.9. Applicable Taxes

- 4.9.1. Contractor To Pay All Taxes. State is subject to Arizona Transaction Privilege Tax (TPT). Therefore, Arizona TPT applies to all sales under the Contract and Arizona TPT is Contractor's responsibility (as seller) to remit. Contractor's failure to collect Arizona TPT or any other applicable sales or use taxes from an Eligible Agency or Co-Op Buyer will not relieve the Contractor of any obligation to remit sales or use taxes that are due under the Contract or laws. Unless clearly stated otherwise in the Contract, all prices therein include Arizona TPT as well as every other manner of transaction privilege or sales/use tax that is due to a municipality or another state or its political subdivisions. Contractor shall pay all federal, state, and local taxes applicable to its operations and personnel.
- 4.9.2. Tax Indemnity. Contractor shall hold State harmless from any responsibility for taxes or contributions, including any applicable damages and interest, that are due to federal, state, and local authorities with respect to the Work and the Contract, as well as any related costs; the foregoing expressly includes Arizona TPT, unemployment compensation insurance, social security, and workers' compensation insurance.

5. Contract Changes



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

5.1. Assignment and Delegation

5.1.1. In Whole. Contractor shall not assign in whole its rights or delegate in whole its duties under the Contract without Procurement Officer's prior written consent, which consent Procurement Officer may withhold at his or her discretion. If Contractor's proposed assignment or delegation stems from a split, sale, acquisition, or other non-merger change in control, then no such consent will be given in any event without the assignee or delegate giving State satisfactory and equivalent evidence or assurance of its financial soundness, competency, capacity, and qualification to perform as that which Contractor possessed when State first awarded it the Contract.

5.1.2. In Part. Subject to Special Terms and Conditions sections 3.10 [Subcontracts] with respect to subcontracting, Contractor may assign particular rights or delegate particular duties under the Contract, but shall obtain Procurement Officer's written consent before doing so. Procurement Officer shall not unreasonably withhold consent so long as the proposed assignment or delegation does not attempt to modify the Contract in any way or to alter or impair State's rights or remedies under the Contract or state law.

6. Risk and Liability

6.1. Risk of Loss. Contractor shall bear all risk of loss to Materials while in pre-production, production, storage, transit, staging, assembly, installation, testing, and commissioning, if and as those duties are within the scope of the Work, until they have been accepted as conforming by State in the particular location and situation specified in the Order, or as specified generally elsewhere in the Contract if the Order does not provide particulars, provided that, risk of loss for nonconforming Materials will remain with Contractor notwithstanding acceptance to the extent the loss stems from the nonconformance.

6.2. General Contractor Indemnification and Insurance Requirements

6.2.1. Contractor Indemnification (Not Public Agency). To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all third party claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the Contractor or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.

6.2.2. Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all third party claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

6.2.3. **Insurance Requirements. Addendum A to the Special Terms and Conditions: Contractor Insurance Requirements is incorporated herein as part of the Special Terms and Conditions.**

6.3. Patent and Copyright Indemnification. With respect to Materials or Services provided or proposed by a Contractor Indemnitor for performance under the Contract, Contractor shall indemnify, defend and hold harmless State Indemnitees against any third-party claims for liability, costs, and expenses, including, but not limited to reasonable attorneys' fees, for infringement or violation of any patent, trademark, copyright, or trade secret by the Materials and the Services. With respect to the defense and payment of claims under this subparagraph:

6.3.1. State shall provide reasonable and timely notification to Contractor of any claim for which Contractor may be liable under this paragraph;

6.3.2. Contractor, with reasonable consultation from State, shall have control of the defense of any action on an indemnified claim including all negotiations for its settlement or compromise;

6.3.3. State may elect to participate in such action at its own expense; and



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 6.3.4. State may approve or disapprove any settlement or compromise, provided that,
(i) State shall not unreasonably withhold or delay such approval or disapproval
and (ii) State shall cooperate in the defense and in any related settlement
negotiations.

If Contractor is a public agency, this section 6.3 does not apply.

7. Warranties

- 7.1. Warranties and Requirements Related to Information Technology. Addendum B: Warranties and Requirements Related to Arizona Information Technology Statewide Policies, Standards, and Procedures is incorporated herein as part of the Special Terms and Conditions.

8. State's Contractual Remedies

- 8.1. [RESERVED]

9. Contract Termination

- 9.1. [RESERVED]

10. Contract Claims

- 10.1. [RESERVED]

11. Arbitration

- 11.1. [RESERVED]

12. General Provisions for Materials

- 12.1. Applicability. Section 12 applies to the extent the Work is or includes Materials.

- 12.2. Off-Contract Materials. Contractor shall ensure that the design and/or procedures for the Materials ordering method prevents Orders for items not included in the scope of the Contract (and for which no price or compensation has been established contractually) or specifically excluded items. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded item ordering, and endeavors to prevent such orders from occurring, Contractor is responsible for not accepting any such Orders. State may, at its discretion, return any such items under subparagraph 12.17 or cancel any such Order under subparagraph 12.18, in either case being without obligation and at Contractor's expense.

- 12.3. Compensation for Late Deliveries. Contractor shall have clear, published policies in place regarding late delivery, order cancellation, discounts, or rebates given to compensate for



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

late deliveries, etc., and make them readily available to those Eligible Agencies, and Co-Op Buyers if applicable, that are likely to need them. If late deliveries have been specifically addressed in the Contract, the Contract shall take precedence over any such Contractor policies.

- 12.4. Indicate Shipping Costs on Order. Contractor shall identify and provide the required substantiating documentation for the amount it intends to add for shipping in the Order acknowledgment if shipping is additional to the contracted price or rate for an item; otherwise, Contractor shall indicate that shipping is included in the Order price (in other words, every Order must indicate clearly whether or not shipping is included in the Order price, and if not included, how much is to be added and why that amount is the correct or appropriate one).
- 12.5. Current Products. Contractor shall keep all products being offered under the Contract: (a) in current and ongoing production; (b) in its advertised product lines; (c) as models or types that are actively functioning in other paying customer environments; and (d) in conformance to the requirements of the Contract.
- 12.6. Maintain Comprehensive Selection. Contractor shall provide at all times the comprehensive selection of products for which a price is established in the Contract for ordering by Eligible Agencies, and Co-Op Buyers, if applicable.
- 12.7. Additional Products. State, at its discretion, may modify the scope of the Contract by Contract Amendment to include additional products or product categories so long as they are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment has been fully executed, Contractor shall then update all applicable pricing and make the pricing available to all affected entities at no additional cost. Either party may make the request to add products to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional products, but State may elect not to add some or all of the products in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request shall include: (a) documentation demonstrating that the additional products meet or exceed the specifications for the original products while remaining in the same product groups as the original ones; and (b) documentation demonstrating that the proposed price for the additional products is both fair and reasonable and at the same level of discount relative to market price as were the original ones. Demonstration of (b) typically requires showing how prices offered to a significant number of buyers compare to the prices or discounts proposed for the additional products.
- 12.8. Discontinued Products. If a product or groups of products covered by the Contract are discontinued by the manufacturer, Contractor shall notify State within five (5) business days after receiving the manufacturer's notification. State, at its discretion, may allow Contractor to provide substitutes for the discontinued products or delete the products from the scope of the Contract. The resulting change to the Contract will be formalized by



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

Contract Amendment. Contractor shall then update all applicable pricing and make the pricing available to all affected entities at no additional cost. The parties shall negotiate in good faith a fair price for any substitute product, but State may elect to delete the products from the scope of the Contract if no agreement is reached on substitute pricing in a timely manner. When notifying State of any discontinuance, Contractor shall provide: (a) manufacturer's announcement or documentation stating that the products have been discontinued, with identification by model/part number; (b) documentation demonstrating that the substitute products meet or exceed the specifications for the discontinued products while remaining in the same product groups as were the discontinued ones; and (c) documentation demonstrating that the proposed price for the substitute products is both fair and reasonable and at the same level of discount relative to market price as were the discontinued ones.

- 12.9. Forced Substitutes. The Contractor shall not provide forced substitutions under the Contract; Contractor shall obtain State's prior written consent before making any discretionary substitution for any product covered by the Contract.
- 12.10. Recalls. In the event of a recall notice, technical service bulletin, or other important notification affecting a product offered under the Contract (collectively, "recalls" hereinafter), Contractor shall send timely notice to State for each applicable Order referencing the affected Order and product. Notwithstanding whatever protection Contractor might have under A.R.S. § 12-684, with respect to a manufacturer, Contractor shall handle recalls entirely and without obligation on State's part, other than to permit removal of installed products, retrieve stored products, and take any other reasonably necessary actions, to implement the recall.
- 12.11. Delivery Time. Unless stated otherwise in the Purchase Order, Contractor shall make delivery within two (2) business days after receiving each Order.
- 12.12. Delivery Locations. Contractor shall offer deliveries to every location served under the scope of the Contract, specifically
 - 12.12.1. if the Contract is for a single State agency in a single area, then Contractor shall deliver to any agency location in that area;
 - 12.12.2. if the Contract is for a single State agency in all its locations, then Contractor shall deliver to any of that agency's location in Arizona;
 - 12.12.3. if the Contract is for cooperative use, but excludes certain areas, then Contractor shall deliver to any Eligible Agency or Co-Op Buyer location that is not in the excluded areas; and
 - 12.12.4. if the Contract is for unrestricted mandatory statewide and cooperative use, then:
 - 12.12.4.1. Contractor shall deliver to any Eligible Agency or Co-Op Buyer anywhere in Arizona;



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 12.12.4.2. if a prospective Co-Op Buyer outside Arizona wishes to order against the Contract, Contractor agrees to negotiate in good faith any fair and reasonable price or lead time adjustments necessary to serve that location if practicable to do so within the scope of its normal business; and,
- 12.12.4.3. if the Purchase Order indicates defined delivery areas and prices, those always apply unless the Order expressly states otherwise and Contractor accepts it.
- 12.13. Conditions at Delivery Location. Contractor shall verify receiving hours and conditions (e.g. height/weight restrictions, access control, etc.) with the relevant Eligible Agency or Co-Op Buyer for the receiving site before scheduling or making a delivery. Contractor shall make each delivery to the specific location indicated in the Order, which Contractor acknowledges might be inside an industrial building, institutional building, low-rise office building, or high-rise office building instead of a normal receiving dock. Contractor might be required to make deliveries to locations inside a secured perimeter at certain institutional facilities such as prisons where prior clearances are required for each delivery and driver individually. Contractor shall contact each such facility directly to confirm its most current security clearance procedures, allowable hours for deliveries, visitor dress code, and other applicable rules. State shall not pay extra charges for wait time, comebacks, or the like, nor excuse late deliveries if Contractor has failed to comply with this section.
- 12.14. Materials Acceptance. State has the right to accept Materials subject to a complete inspection on delivery and installation, if installation is Contractor's responsibility. State may require acceptance criteria, including, but not limited to, conformity to the Contract, workmanship, and quality under the Contract or for a specific Order. Contractor shall remove any rejected Materials from the delivery location, or from any area to which it might have been reasonably necessary to move it, and subsequently deliver an equal quantity of conforming items within a timeframe set by the Eligible Agency or Co-Op Buyer. State shall not owe Contractor any payment for rejected Materials, and State may, at its discretion, withhold or make partial payment for any rejected Materials that have been returned to Contractor in those instances where State has agreed to permit repair instead of demanding replacement.
- 12.15. Correcting Defects. Contractor shall, at no additional cost and without entitlement to extension of any delivery deadline or specified time for performance, remove or exchange and replace any defective or non-conforming delivered or installed Materials.
- 12.15.1. Contractor shall be solely responsible for the cost of any associated cutting and patching, temporary protection measures, packing and crating, hoisting and loading, transportation, unpacking, inspection, repacking, reshipping, and reinstallation if installation is within the scope of the Contract.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 12.15.2. If Contractor fails to do so in a timely manner, State will be entitled to exercise its remedies under the Contract, including but not limited to, paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions.
- 12.15.3. Whether State will permit Contractor to repair in place or demands that Contractor remove and replace is at State's discretion in each instance, provided that, State shall not apply that discretion punitively if repair in place is practicable and doing so would not create safety hazards, put property at risk, unreasonably interfere with operations, create public nuisance, or give rise to any other reasonable concern on State's part.
- 12.16. Returns. State may, at its discretion, return for full credit and with no restocking charges, any delivered Materials unused in the original packaging within thirty (30) days after receipt, regardless of acceptance. If State elects to return delivered Materials, then State shall pay delivery costs to return the products to the place from which Contractor shipped them. However, if State returns delivered Materials because they are defective or non-conforming or for any other reason having to do with Contractor fault or error, then State will not be responsible for any costs associated with returning the Materials and may, at its discretion, either have those billed directly to Contractor, offset them under paragraph 8.5 [*Right of Offset*] of the Uniform Terms and Conditions, or take any other appropriate actions under the Contract.
- 12.17. Product Safety. Materials as-shipped must comply with applicable safety regulations and standards. Unless expressly stated otherwise in the Scope of Work, State is not responsible for making any Materials safe or compliant following acceptance. Contractor shall only deliver Materials that are already safe and compliant with the warranties in the Contract Terms and Conditions.
- 12.18. Hazardous Materials. Contractor shall timely provide State with any "Safety Data Sheets" (SDS) and any other hazard communication documentation required under the United States Department of Labor's Occupational Safety and Health Administration (OSHA) "Hazard Communication Standard" (often referred to as the "HazCom 2012 Final Rule") that is reasonably necessary for State to comply with regulations when it or its other contractors install, handle, operate, repair, maintain or remove any Materials. Note that, in the past, those documents might have been referred to as "Material Safety Data Sheets" or "Product Safety Data Sheets", but State (and this Contract) use only the more up-to-date "SDS" reference. Contractor shall ensure that all its relevant personnel understand the nature of and hazards associated with, to the extent it they are Contractor's responsibility under the Contract, the design, shipping, handling, delivery, installation, repair and maintenance of any portion of the Work that is, contains or will become upon use a hazardous material, with "hazardous material" being any material or substance that is: (1) identified now or in the future as being hazardous, toxic or dangerous under applicable laws; or (2) subject to statutory or regulatory requirement governing special handling, disposal or cleanup.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

13. General Provisions for Services

- 13.1. Applicability. Article 13 applies to the extent the Work is or includes Services.
- 13.2. Comprehensive Services. Contractor shall provide the comprehensive range of Services for which a price is established in the Contract for ordering by Eligible Agencies and Co-Op Buyers.
- 13.3. Additional Services. State at its discretion may modify the scope of the Contract by Contract Amendment to include additional Services or service categories that are within the general scope of the ones originally covered by the Contract. Once the Contract Amendment is fully executed, Contractor shall then update all applicable pricing and make them available to all affected entities at no additional cost. Either party may make the request to add Services to the Contract; regardless of who makes the request, the parties shall negotiate in good faith a fair price for any additional Services, but State may elect not to add some or all of the Services in question if no agreement is reached on pricing in a timely manner. Contractor's request or proposal in response to State's request shall include documentation demonstrating that the proposed price for the additional Services is both fair and reasonable and comparable to the original prices.
- 13.4. Off-Contract Services. Contractor shall ensure that the ordering process for the Services prevents Orders for Services not included in the scope of the Contract (and for which no price or compensation has been established in the Contract) or Services explicitly excluded from the Contract. Notwithstanding that State might have its own internal administrative rules regarding off-contract or excluded ordering of Services, and endeavors to prevent such Orders from occurring, Contractor is responsible for not accepting any such Orders. State may, at its discretion, cancel any such Order without obligation.
- 13.5. Removal of Personnel. Notwithstanding that Contractor is in every circumstance responsible for hiring, assigning, directing, managing, training, disciplining, and rewarding its personnel, State may at its discretion to the extent it reasonably believes removal necessary to safeguard the State's interests, and without the obligation to demonstrate cause, instruct Contractor to remove any of its personnel from State's facilities or from further assignment under the Contract. In such cases, Contractor shall promptly replace removed personnel with other personnel that have equivalent qualifications, experience, and capabilities.
- 13.6. Accuracy of Work. Contractor is responsible for the Services meeting the specifications set forth in an applicable Order, and shall promptly make all necessary revisions or corrections resulting from non-conformance with specifications without additional compensation. Acceptance by State shall not relieve Contractor of responsibility for correction of any non-conformance with specifications discovered subsequently or necessary clarification of any ambiguities.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

13.7. Requirements at Location of Services

13.7.1. Contractor personnel shall perform their assigned portions of the Services at the specific location indicated in the Order. Contractor acknowledges that the location might be inside an industrial building, institutional building, or one of various office types and classes.

13.7.2. If performing the Services requires Contractor personnel to work inside a secured perimeter at certain institutional facilities (including but not limited to prisons) where prior clearances are required, Contractor shall contact the facility directly in advance of performing the Services to confirm its current security clearance procedures, allowable hours for work, visitor dress code, and other applicable rules. State shall not pay any additional fees (including but not limited to service charges) or excuse late performance, if Contractor has failed to comply with these requirements.

13.8. Acceptance of Services. State has the right to accept Services subject to acceptance criteria. State may apply acceptance criteria to the Contract or a specific Order, which may include, but are not limited to, conformance to requirements. State shall not pay Contractor for unaccepted Services, and State may, at its discretion, withhold or make partial payment for any rejected Services, while Contractor is in the process of re-performing or otherwise curing the grounds for State's rejection.

Client shall have five (5) business days from each delivery of the deliverables to review the deliverables and notify Forrester if there is any non-conformity with the specifications set forth within the specific Order. Forrester shall use its best efforts to promptly cure any such non-conformity, and after completing any such cure, Forrester shall resubmit the services and deliverables for review. Deliverables will be deemed accepted if Client does not provide written notice of non-conformity within the 5 business day period set forth above.

13.9. Corrective Action Required. Notwithstanding any other guarantees, general warranties, or particular warranties Contractor has given under the Contract, and in addition to any other rights and remedies available under the Contract, if Contractor fails to perform any material portion of the Services including, but not limited to, failure to complete any contractual deliverable or failure to meet agreed-upon service levels or service standards set out in or referred to in the Contract, then Contractor shall perform a root-cause analysis to identify the source of the failure and use all commercially reasonable efforts to correct the failure and meet the Contract requirements as promptly as is practicable.

13.9.1. Contractor shall provide State a report detailing the identified cause and setting out its detailed corrective action plan promptly after the date the failure occurred (or the date when the failure first became apparent, if it was not apparent immediately after occurrence).

13.9.2. State may demand to review and approve Contractor's analysis and plans, and Contractor shall make any and all reasonable corrections State instructs and adopt State's recommendations, including any measures State determines to be



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

necessary for employee or public safety, or the protection of property or the environment.

- 13.9.3. Contractor shall take the necessary action(s) to avoid any like failures in the future.

14. Data and Information Handling

- 14.1. Applicability. Article 14 applies to the extent the Work includes handling of any (1) State's proprietary and sensitive data or (2) confidential or access-restricted information obtained from State or from others at State's behest.

- 14.2. Data Protection and Confidentiality of Information. Contractor warrants that it will establish and maintain procedures and controls for ensuring that State's proprietary and sensitive data is protected from unauthorized access and information obtained from State or others in performance of its contractual duties is not mishandled, misused, or inappropriately released or disclosed. For purposes of this paragraph and except for any Contractor Works (as defined in the NASPO ValuePoint Master Agreement), all data created by Contractor in any way related to the Contract, provided to Contractor by State, or prepared by others for State are proprietary to State, and all information by those same avenues is State's confidential information. To comply with the foregoing warrant:

- 14.2.1. Contractor shall: (a) notify State immediately of any unauthorized access or inappropriate disclosures, whether stemming from an external security breach, internal breach, system failure, or procedural lapse; (b) cooperate with State to identify the source or cause and respond to each unauthorized access or inappropriate disclosure; and (c) notify State promptly of any security threat that could result in unauthorized access or inappropriate disclosures; and

- 14.2.2. Contractor shall not: (a) release any such data or allow it to be released or divulge any such information to anyone other than its employees or officers as needed for each person's individual performance of his or her duties under the Contract, unless State has agreed otherwise in advance and in writing; or (b) respond to any requests it receives from a third party for such data or information, and instead route all such requests to State's designated representative.

- 14.3. Personally Identifiable Information. Without limiting the generality of paragraph 14.2, Contractor warrants that it will protect any personally identifiable information ("PII") belonging to State's employees or other contractors or members of the general public that it receives from State or otherwise acquires in its performance under the Contract and is not business contact information or internet protocol address of State employees that have a User License to access the Services. For purposes of this paragraph:

- 14.3.1. PII has the meaning given in the [federal] Office of Management and Budget (OMB) *Memorandum M-17-12 Preparing for and Responding to a Breach of Personally Identifiable Information, January 3, 2017*; and



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 14.3.2. “protect” means taking measures to safeguard personally identifiable information and prevent its breach that are functionally equivalent to those called for in that OMB memorandum and elaborated on in the [federal] General Services Administration (GSA) *Directive CIO P 2180.1 GSA Rules of Behavior for Handling Personally Identifiable Information*.

NOTE (1): For convenience of reference only, the OMB memorandum is available at:

<https://dpcl.d.defense.gov/Privacy/Authorities-and-Guidance/>

NOTE (2): For convenience of reference only, the GSA directive is available at:

[https://www.gsa.gov/directive/gsa-rules-of-behavior-for-handling-personally-identifiable-information-\(pii\)-](https://www.gsa.gov/directive/gsa-rules-of-behavior-for-handling-personally-identifiable-information-(pii)-)

- 14.4. Protected Health Information. Contractor warrants that, to the extent performance under Contract involves individually identifiable health information (referred to hereinafter as protected health information (“PHI”) and electronic PHI (“ePHI”) as defined in the Privacy Rule referred to below), it:

- 14.4.1. is familiar with and will comply with the applicable aspects of the following collective regulatory requirements regarding patient information privacy protection: (a) the “Privacy Rule” in CFR 45 Part 160 and Part 164 pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996; (b) Arizona laws, rules, and regulations applicable to PHI/ePHI that are not preempted by CFR45-160(B) or the Employee Retirement Income Security Act of 1974 (“ERISA”) as amended; and (c) State’s current and published PHI/ePHI privacy and security policies and procedures;

- 14.4.2. will cooperate with State in the course of performing under the Contract so that both State and Contractor stay in compliance with the requirements in (1) above; and

- 14.4.3. will sign any documents that are reasonably necessary to keep both State and Contractor in compliance with the requirements in (1) above, in particular “Business Associate Agreements” in accordance with the Privacy Rule.

NOTE: For convenience of reference only, the Privacy Rule is available at:

<http://www.hhs.gov/hipaa/for-professionals/privacy/index.html>

15. Information Technology Work

- 15.1. Applicability. Article 15 applies to any Invitation for Bids, Request for Proposals, or Request for Quotations for "Information Technology," as defined In A.R.S. §18-101(6) “...all computerized and auxiliary automated information processing, telecommunications and related technology, including hardware, software, vendor support and related



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

services, equipment and projects,” if and to the extent that the Work is or includes Information Technology specifically identified as such in the applicable Order.

15.2. Background Checks. Each Contractor's personnel who is an applicant for an information technology position must undergo the security clearance and background check procedure, which includes fingerprinting, as required by A.R.S. § 41-710, Eligible Agency, or Co-Op Buyer. Contractor shall obtain and pay for the security clearance and background check. Contractor personnel who will have administrator privileges on a State network must additionally provide identity and address verification and undergo State-specified training for unescorted access, confidentiality, privacy, and data security

15.3. Information Access

15.3.1. System Measures. Contractor shall employ appropriate system management and maintenance, fraud prevention and detection, and encryption application and tools to any systems or networks containing or transmitting State's proprietary data or confidential information.

15.3.2. Individual Measures. Contractor personnel shall comply with applicable State policies and procedures regarding data access, privacy, and security, including prohibitions on remote access and obtaining and maintaining access identifications (IDs) and passwords. Contractor is responsible to State for ensuring that any State access IDs and passwords are used only by the person to whom they were issued. Contractor shall ensure that personnel are only provided the minimum only such level of access necessary to perform his or duties. Contractor shall, on request, provide a current register of the access IDs and passwords and corresponding access levels currently assigned to its personnel.

15.3.3. Access Control. Contractor is responsible to State for ensuring that hardware, software, data, information, and that has been provided by State or belongs to or is in the custody of State and is accessed or accessible by Contractor personnel is only used in connection with carrying out the Work and is never commercially exploited in any manner whatsoever not expressly permitted under the Contract. State may restrict access of Contractor personnel, or instruct Contractor to restrict their access, if in its determination the requirements of this subparagraph are not being met.

15.4. Pass-Through Indemnity

15.4.1. Indemnity from Third Party. For computer hardware or software included in the Work as discrete units that were manufactured or developed solely by a third party, Contractor may satisfy its indemnification obligations under the Contract by, to the extent permissible by law, passing through to State such indemnity as it receives from the third-party source (each a "Pass-Through Indemnity") and



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

cooperating with State in enforcing that indemnity. If the third party fails to honor its Pass-Through Indemnity, or if a Pass-Through Indemnity is insufficient to indemnify State Indemnitees to the extent and degree, Contractor is required to do by the Uniform Terms and Conditions, then Contractor shall indemnify, defend and hold harmless State Indemnitees to the extent the Pass-Through Indemnity does not.

15.4.2. Notification of Claims. State shall notify Contractor promptly of any claim to which a Pass-Through Indemnity might apply. Contractor, with reasonable consultation from State, shall control of the defense of any action on any claim to which a Pass-Through Indemnity applies, including negotiations for settlement or compromise, provided that:

15.4.2.1. State reserves the right to elect to participate in the action at its own expense;

15.4.2.2. State reserves the right to approve or reject any settlement or compromise on reasonable grounds and if done so timely; and

15.4.2.3. State shall in any case cooperate in the defense and any related settlement negotiations.

15.5. Systems and Controls. In consideration for State having agreed to permit Pass-Through Indemnities in lieu of direct indemnity, Contractor agrees to establish and keep in place systems and controls appropriate to ensure that State funds under this Contract are not knowingly used for the acquisition, operation, or maintenance of Materials or Services in violation of intellectual property laws or a third party's intellectual property rights.

15.6. Redress of Infringement

15.6.1. Replace, License, or Modify. If Contractor becomes aware that any Materials or Services infringe, or are likely to be infringing, on any third party's intellectual property rights, then Contractor shall, at its sole cost and expense and in consultation with State, either:

15.6.1.1. replace any infringing items with non-infringing ones;

15.6.1.2. obtain for State the right to continue using the infringing items; or

15.6.1.3. modify the infringing items so that they become non-infringing, so long as they continue to function as specified following the modification.

15.6.2. Cancellation Option. In every case under 15.6.1, if none of those options can reasonably be accomplished, or if the continued use of the infringing items is impracticable, State may cancel the relevant Order or terminate the Contract, and Contractor shall take back the infringing items. If State does cancel the Order or terminate the Contract, Contractor shall refund to State:



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 15.6.2.1. for any software created for State under the Contract, the amount State paid to Contractor for creating it;
 - 15.6.2.2. for all other Materials, the net book value of the product provided according to generally accepted accounting principles; and
 - 15.6.2.3. for Services, the amount paid by State or an amount equal to twelve (12) months of charges, whichever is less.
- 15.6.3. Exceptions. Contractor will not be liable for any claim of infringement based solely on any of the following by a State Indemnitee:
 - 15.6.3.1. modification or use of Materials other than as contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor;
 - 15.6.3.2. operation of Materials with any operating software other than that supplied by Contractor or authorized or proposed by a Contractor Indemnitor; or
 - 15.6.3.3. combination or use with other products in a manner not contemplated by the Contract or expressly authorized or proposed by a Contractor Indemnitor.
- 15.7. First Party Liability Limitation
 - 15.7.1. Limit. Subject to the provisos that follow below and unless stated otherwise in the Special Terms and Conditions, State's and Contractor's respective first party liability arising from or related to the Contract is limited to the greater of \$1,000,000 (one million dollars) or three (3) times the purchase price of the specific Materials or Services giving rise to the claim.
 - 15.7.2. Provisos. This paragraph limits liability for first party direct, indirect, incidental, special, punitive, and consequential damages relating to the Work regardless of the legal theory under which the liability is asserted. This paragraph does not limit liability arising from any:
 - 15.7.2.1. Indemnified Claim against which Contractor has indemnified State Indemnitees under paragraph 6.2;
 - 15.7.2.2. claim against which Contractor has indemnified State Indemnitees under paragraph 6.3; or
 - 15.7.2.3. provision of the Contract calling for liquidated damages or specifying amounts or percentages as being at-risk or subject to deduction for performance deficiencies.
 - 15.7.3. Purchase Price Determination. If the Contract is for a single-agency and a single Order (or if no Order applies), then "purchase price" in Subparagraph 15.7.1 above means the aggregate Contract price current at the time of Contract



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

expiration or earlier termination, including all Contract Amendments having an effect on the aggregate price through that date. In all other cases, “purchase price” above means the total price of the Order for the specific equipment, software, or services giving rise to the claim, and therefore a separate limit will apply to each Order.

- 15.7.4. No Effect on Insurance. This paragraph does not modify the required coverage limits, terms, and conditions of, or any insured’s ability to claim against any insurance that Contractor is required by the Contract to provide, and Contractor shall obtain express endorsements that it does not.

15.8. Information Technology Warranty

- 15.8.1. Specified Design. Where the Scope of Work for information technology, Work provides a detailed design specification or sets out specific performance requirements, Contractor warrants that the Work will provide all functionality material to the intended use stated in the Contract, provided that, the foregoing warranty does not extend to any portions of the Materials that are:

- 15.8.1.1. modified or altered by anyone not authorized by Contractor to do so;
- 15.8.1.2. maintained in a way inconsistent to any applicable manufacturer recommendations; or
- 15.8.1.3. operated in a manner not within its intended use or environment.

- 15.8.2. COTS Software. With respect to Materials provided under the Contract that are commercial-off-the-shelf (COTS) software, Contractor warrants that:

- 15.8.2.1. to the extent possible, it will test the software before delivery using commercially available virus detection software conforming to current industry standards;
- 15.8.2.2. the COTS software will, to the best of its knowledge, at the time of delivery be free of viruses, backdoors, worms, spyware, malware, and other malicious code that could hamper performance, collect unlawfully any personally identifiable information, or prevent products from performing as required by the Contract; and
- 15.8.2.3. it will provide a new or clean install of any COTS software that State has reason to believe contains harmful code.

- 15.8.3. Payment has no Effect. The warranties in this paragraph are not affected by State’s inspection, testing, or payment.

- 15.9. Specific Remedies. Unless expressly stated otherwise elsewhere in the Contract, State’s remedy for breach of warranty under paragraph 15.8 includes, at State’s discretion, re-



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

performance, repair, replacement, or refund of any amounts paid by State for the nonconforming Work, plus (in every case) Contractor's payment of State's additional, documented, and reasonable costs to procure materials or services equivalent in function, capability, and performance that was first called for. For clarification of intent, the foregoing obligations are limited by the limitation of liability in paragraph 14.7. If none of the foregoing options can reasonably be effected, or if the use of the materials by State is made impractical by the nonconformance, then State may seek any remedy available to it under law.

- 15.10. Section 508 Compliance. Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. §18-131 and §18-132 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.
- 15.11. Cloud Applications. The following are required for Contractor of any cloud solution that hosts State data outside of the State's network or transmits and/or receives State data.
- 15.11.1. Submit a completed Arizona Baseline Infrastructure Security Controls assessment spreadsheet as found at: <https://azdohs.gov/information-security-policies-standards-and-procedures>, and mitigate or install compensating controls for any issues of concern identified by State. Contractor is required to provide any requested documentation supporting the review of the assessment. The assessment shall be re-validated on a minimum annual basis.
- 15.11.2. State reserves the right to conduct penetration tests or hire a third party to conduct penetration tests of the Contractor's application. Contractor will be alerted in advance and arrangements made for an agreeable time. Contractor shall respond to all serious flaws discovered by providing an acceptable timeframe to resolve the issue and/or implement a compensating control.
- 15.11.3. Contractor must submit a copy of system logs from the cloud system to the State of Arizona security team on a regular basis to be added to the State SIEM (Security Information Event Monitor) or IDS (Intrusion Detection System).
- 15.11.4. Contractor must employ a government-rated cloud compartment to better protect sensitive or regulated State data.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

[Addendum A to the Special Terms and Conditions](#)

1. Contractor Insurance Requirements

1.1 Insurance Requirements

- 1.1.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.
- 1.1.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

1.2 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

1.2.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
 - Products – Completed Operations Aggregate \$1,000,000
 - Personal and Advertising Injury \$1,000,000
 - Damage to Rented Premises \$50,000
 - Each Occurrence \$1,000,000
- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

1.2.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non- owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL)
\$1,000,000
- a. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.2.3 Workers' Compensation and Employers' Liability

- Workers' Compensation
Statutory
- Employers' Liability
 - Each Accident \$1,000,000
 - Disease – Each Employee \$1,000,000
 - Disease – Policy Limit \$1,000,000
- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.2.4 Technology Errors & Omissions Insurance

- Each Claim \$2,000,000
- Annual Aggregate \$2,000,000



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- a. Such insurance shall cover any, and all errors, omissions, or negligent acts in the delivery of products, services, and/or licensed programs under this contract.
- b. Coverage shall include copyright infringement, infringement of trade dress, domain name, title or slogan.
- c. In the event that the Tech E&O insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years, beginning at the time work under this Contract is completed.

1.3 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 1.3.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 1.3.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

1.4 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

1.5 Acceptability of Insurers

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

1.6 Verification of Coverage

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 1.6.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.
- 1.6.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 1.6.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to request complete copies of all insurance policies required by this Contract at any time.

1.7 Subcontractors

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

1.8 Approval and Modifications

The Contracting Agency, in consultation with State Risk, reserves the right to request review or modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Any



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

such change shall be subject to written approval of both parties.

1.9 Exceptions

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

[Addendum B to the Special Terms and Conditions](#)

**Warranties and Requirements Related to
Arizona Information Technology Statewide Policies, Standards, and Procedures**

1. Reserved



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

[Uniform Terms and Conditions](#)

1. Definition of Terms. As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
 - 1.1. "Attachment" means any item the Solicitation which requires the Offeror to submit as part of the Offer.
 - 1.2. "Contract" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the NASPO Participating Addendum, Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
 - 1.3. "Contract Amendment" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
 - 1.4. "Contractor" means any person who has a Contract with the State.
 - 1.5. "Data" means recorded information, regardless of form or the media on which it may be recorded. The term may include technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.
 - 1.6. "Days" means calendar days unless otherwise specified.
 - 1.7. "Exhibit" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation generally containing maps, schematics, examples of reports, or other documents that will be used to perform the requirements of the Scope of Work after contract award.
 - 1.8. "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
 - 1.9. "Materials" means all tangible property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
 - 1.10. "Procurement Officer" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
 - 1.11. "Services" means the furnishing of labor, time or effort by a Contractor or Subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 1.12. "State" means any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona that executes the Contract.
- 1.13. "State Fiscal Year" means the period beginning with July 1 and ending June 30.
- 1.14. "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a Subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any Materials or any Services required for the performance of the Contract.
- 1.15. "Subcontractor" means a person who contracts to perform work or render Services to a Contractor or to another Subcontractor as a part of a Contract with the State.

2. Contract Interpretation

- 2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
 - 2.3.1. Special Terms and Conditions;
 - 2.3.2. Uniform Terms and Conditions;
 - 2.3.3. Statement or Scope of Work;
 - 2.3.4. Specifications;
 - 2.3.5. Attachments;
 - 2.3.6. Exhibits; then
 - 2.3.7. Any other documents referenced or included in the Solicitation including, but not limited to, any Bid or Offer documents provided by the Contractor that do not fall into one of the above categories.
- 2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

2.6. No Parol Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each Subcontractor to retain any and all Data and other "records" relating to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Orders No. 2023-01, 2009-09, and any and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to A.R.S. § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any Subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, Subcontractor facilities, and the Contractor's processes or services, at reasonable times for inspection of the facilities or Materials covered under this Contract as required under A.R.S. § 41-2547. The State shall also have the right to test, at its own cost, the Materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor Materials testing shall constitute final acceptance of the Materials or Services. If the State determines non-compliance of the Materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation, stated in the Contract, or listed on the State's eProcurement system. An authorized Procurement Officer and an authorized Contractor representative may change their



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

- 3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7. Continuous Improvement. Contractor shall recommend continuous improvements on an ongoing basis in relation to any Materials and Services offered under the Contract, with a view to reducing State costs and improving the quality and efficiency of the provision of Materials or Services. State may require Contractor to engage in continuous improvements throughout the term of the Contract.
- 3.8. Other Contractors. State may undertake on its own or award other contracts to the same or other suppliers for additional or related work. In such cases, the Contractor shall cooperate fully with State employees and such other suppliers and carefully coordinate, fit, connect, accommodate, adjust, or sequence its work to the related work by others. Where the Contract requires handing-off Contractor's work to others, Contractor shall cooperate as State instructs regarding the necessary transfer of its work product, Materials, Services, or records to State or the other suppliers. Contractor shall not commit or permit any act that interferes with the State's or other suppliers' performance of their work, provided that, State shall enforce the foregoing section equitably among all its suppliers so as not impose an unreasonable burden on any one of them.
- 3.9. Ownership of Intellectual Property – The ownership and license of Intellectual Property is governed by Sec. 20 of the NASPO Master Agreement.
- 3.10. Federal Immigration and Nationality Act. Contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, Contractor shall flow down this requirement to all Subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and Subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor or any Subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to: suspension of work, termination of the contract for default and suspension or debarment of the contractor.
- 3.11. E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23- 214, Subsection A.
- 3.12. Offshore Performance of Work involving Data is Prohibited. Any Services that are described in the specifications or scope of work that directly serve the State of Arizona or



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

its clients and involve access to Data shall be performed within the defined territories of the United States.

3.13. Certifications Required by State Law.

3.13.1. If Contractor is a Company as defined in A.R.S. § 35-393, Contractor certifies that it is not currently engaged in a boycott of Israel as described in A.R.S. §§ 35-393 *et seq.* and will refrain from any such boycott for the duration of this Contract.

3.13.2. Contractor further certifies that it shall comply with A.R.S. § 35-394, regarding use of the forced labor of ethnic Uyghurs, as applicable.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of Materials or Services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days

4.2. Delivery. Unless stated otherwise in the Contract, per A.R.S. § 47-2319, all prices shall be F.O.B. ("free on board") Destination and shall include all freight delivery and unloading at the destination.

4.3. Firm, Fixed Price. Unless stated otherwise in the Special Terms and Conditions of the Contract, all prices shall be firm-fixed-prices.

4.4. Applicable Taxes

4.4.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.4.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.4.3. Tax Indemnification. Contractor and all Subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all Subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.4.4. I.R.S. W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

4.5. Availability of Funds for the Next State Fiscal Year. Funds may not presently be available for performance under this Contract beyond the current State Fiscal Year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current State Fiscal Year until funds are made available for performance of this Contract.

4.6. Availability of Funds for the Current State Fiscal Year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these Materials or Services are not funded, the State may take any of the following actions:

- 4.6.1. Accept a decrease in price offered by the Contractor;
- 4.6.2. Cancel the Contract; or
- 4.6.3. Cancel the Contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of Services or Materials, the revision of payment terms, or the substitution of Services or Materials, directed by a person who is not specifically authorized by the Procurement Officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this Contract without the advance written approval of the Procurement Officer as described in Arizona State Procurement Office Standard Procedure 002. The Contractor shall clearly list any proposed Subcontractors and the Subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

6.1. Risk of Loss. The Contractor shall bear all loss of conforming Materials covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming Materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 6.2.1. Contractor/Vendor Indemnification (Not Public Agency). To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all third party claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or Subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation Insurance and Indemnification Guidelines for State of Arizona Contracts Professional Service Contracts against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the Contractor or Subcontractor(s) is/are an agency, board, commission or university of the State of Arizona.
- 6.2.2. Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnatee') from and against any and all third party claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnatee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.
- 6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for claims against the State arising out of infringement of any patent, trademark or copyright arising out of Contract performance or use in accordance with this Contract by the State of Materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

any claim for which it may be liable under this paragraph. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this paragraph shall not apply.

6.4. Force Majeure.

6.4.1. Except for payment of sums due, neither the Contractor nor State shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes: acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, lockouts, injunctions-intervention-acts, failures or refusals to act by government authority, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment, Materials, or Services caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a Subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any Subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either the Contractor or State is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern Materials or Services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the Materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in the Special Terms and Conditions, the Contractor warrants that, for one (1) year after acceptance by the State of the Materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the Materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged, and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Conformity to Requirements.

7.3.1. Contractor warrants that, unless expressly provided otherwise elsewhere in the Contract, the Materials and Services will for one (1) year after acceptance and in each instance:

7.3.1.1. Conform to the requirements of the Contract, which by way of reminder include without limitation all descriptions, specifications, and drawings identified in the Scope of Work and any and all Contractor affirmations included as part of the Contract;

7.3.1.2. Be free from defects of material and workmanship;

7.3.1.3. Conform to or perform in a manner consistent with current industry standards; and

7.3.1.4. Be fit for the intended purpose or use described in the Contract.

7.3.2. Mere delivery or performance does not substitute for express acceptance by the State. Where inspection, testing, or other acceptance assessment of Materials or Services cannot be done until after installation or invoicing, the forgoing warranty will not begin until State's explicit acceptance of the Materials or Services.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

- 7.4. Inspection/Testing. The warranties set forth in this Section 7 [Warranties] are not affected by inspection or testing of or payment for the Materials or Services by the State.
- 7.5. Contractor Personnel. Contractor warrants that its personnel will perform their duties under the Contract in a professional manner, applying the requisite skills and knowledge, consistent with industry standards, and in accordance with the requirements of the Contract. Contractor further warrants that its key personnel will maintain any and all certifications relevant to their work, and Contractor shall provide individual evidence of certification to State's authorized representatives upon request.
- 7.6. Compliance With Applicable Laws. The Materials and Services supplied under this Contract shall comply with all applicable federal, state, and local laws and policies (including, but not limited to, information technology policies, standards, and procedures available on the State's website and/or the website of any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona). Federal requirements may be incorporated into this Contract, if required, pursuant to A.R.S. § 41-2637. Contractor shall maintain any and all applicable license and permit requirements. This requirement includes, but is not limited to, any and all Arizona state statutes that impact state contracts, regardless of whether those statutory references have been removed during the course of contract negotiations; this is notice to Contractors that the State does not have the authority to modify Arizona state law by contract.
- 7.7. Intellectual Property. Contractor warrants that the Materials and Services do not and will not infringe or violate any patent, trademark, copyright, trade secret, or other intellectual property rights or laws, except only to the extent the Specifications do not permit use of any other product and Contractor is not and cannot reasonably be expected to be aware of the infringement or violation.
- 7.8. Licenses and Permits. Contractor warrants that it will maintain all licenses required to fully perform its duties under the Contract and all required permits valid and in force.
- 7.9. Operational Continuity. Contractor warrants that it will perform without relief notwithstanding being sold or acquired; no such event will operate to mitigate or alter any of Contractor's duties hereunder absent a consented delegation under paragraph 5.3 [Assignment and Delegation] that expressly recognizes the event.
- 7.10. Performance in Public Health Emergency. Contractor warrants that it will:
- 7.10.1. Have in effect, promptly after commencement, a plan for continuing performance in the event of a declared public health emergency that addresses, at a minimum:
- 7.10.1.1. Identification of response personnel by name;



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

7.10.1.2. Key succession and performance responses in the event of sudden and significant decrease in workforce; and

7.10.1.3. Alternative avenues to keep sufficient product on hand or in the supply chain.

7.10.2. Provide a copy of its current plan to State within three (3) business days after State's written request. If Contractor claims relief under paragraph 6.4 [Force Majeure] for an occurrence of force majeure that is a declared public health emergency, then that relief will be conditioned on Contractor having first implemented its plan and exhausted all reasonable opportunity for that plan implementation to overcome the effects of that occurrence, or mitigate those effects to the extent that overcoming entirely is not practicable.

7.10.3. A request from the State related to this paragraph 7.10 does not necessarily indicate that there has been an occurrence of force majeure, and the Contractor will not be entitled to any additional compensation or extension of time by virtue of having to implement a plan.

7.10.4. Failure to have or implement an appropriate plan will be a material breach of contract.

7.11. Lobbying

7.11.1. Prohibition. Contractor warrants that it will not engage in lobbying activities, as defined in 40 Code of Federal Regulations (CFR) part 34 and A.R.S. § 41-1231, *et seq.*, using monies awarded under the Contract, provided that, the foregoing does not intend to constrain Contractor's use of its own monies or property, including without limitation any net proceeds duly realized under the Contract or any value thereafter derived from those proceeds; and upon award of the Contract, it will disclose all lobbying activities to State to the extent they are an actual or potential conflict of interest or where such activities could create an appearance of impropriety. Contractor shall implement and maintain adequate controls to assure compliance with above. Contractor shall obtain an equivalent warranty from all Subcontractors and shall include an equivalent no-lobbying provision in all Subcontracts.

7.11.2. Exception. This paragraph 7.11 does not apply to the extent that the Services are defined in the Contract as being lobbying for State's benefit or on State's behalf.

7.12. Covered Telecommunications or Services. Contractor warrants that the Materials and Services rendered under this Agreement will not require Contractor to use for the State, or provide to the State to use, "covered telecommunications equipment or Services" as a



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

substantial or essential component of any system, or as critical technology as part of any system, within the meaning of Federal Acquisition Regulation ("FAR") Section 52.204-25.

7.13. Debarment, Suspension, U.S. Government Restricted Party Lists. Contractor warrants that it is not, and its Subcontractors are not, on the U.S. government's Denied Parties List, the Unverified List, the Entities List, the Specially Designated Nationals and Blocked Parties List, and neither the Contractor nor any Subcontractors are presently debarred, suspended, proposed for debarment or otherwise declared ineligible for award of federal contracts or participation in federal assistance programs or activities.

7.14. False Statements. Contractor represents and warrants that all statements and information Contractor prepared and submitted in response to the Solicitation or as part of the Contract documents are current, complete, true, and accurate. If the Procurement Officer determines that Contractor submitted an Offer or Bid with a false statement, or makes material misrepresentations during the performance of the Contract, the Procurement Officer may determine that Contractor has materially breached the Contract and may void the submitted Offer or Bid and any resulting Contract.

7.15. Survival of Rights and Obligations after Contract Expiration or Termination.

7.15.1. Survival of Warranty. All representations and warranties made by Contractor under the Contract will survive the expiration or earlier termination of the Contract.

7.15.2. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12- 529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.15.3. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. **Non-exclusive Remedies.** The rights and the remedies of the State under this Contract are not exclusive.

8.4. **Nonconforming Tender.** Materials or Services supplied under this Contract shall fully comply with the Contract. The delivery of Materials or Services or a portion of the Materials or Services that do not fully comply constitutes a breach of contract. On delivery of nonconforming Materials or Services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. **Right of Offset.** The State shall be entitled to damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract. Such damages shall not, in aggregate, exceed 5% of the value of the applicable Order.

9. Contract Termination

9.1. **Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

- 9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State with the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three (3) times the value of the Gratuity offered by the Contractor.
- 9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a Subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State.
- 9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all Subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, the State may retain for internal business purposes, and use for internal business purposes only in accordance with this Agreement, (i) internal presentations containing portions of the Contractor Works (as defined in the NASPO ValuePoint Master Agreement) and (ii) licensed user's archival copies of the Contractor Works, whether in electronic form or hard copy, that were properly accessed during the term of this Agreement. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed, and Materials or Services accepted before the effective date of the termination. The cost principles and procedures provided in A.R.S. § 41-2543 and A.A.C. Title 2, Chapter 7, Article 7, shall apply.
- 9.5. Termination for Default.
- 9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.



**State of Arizona Participating Addendum
NASPO IT Research and Advisory Services
Attachment A – State of Arizona Terms and
Conditions**

Arizona Department of Administration
State Procurement Office
100 N 15th Avenue
Phoenix, AZ 85007

9.5.2. Upon termination under this paragraph, the State may retain for internal business purposes, and use for internal business purposes only in accordance with this Agreement, (i) internal presentations containing portions of the Contractor Works (as defined in the NASPO ValuePoint Master Agreement) and (ii) licensed user's archival copies of the Contractor Works, whether in electronic form or hard copy, that were properly accessed during the term of this Agreement.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, Materials or Services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring Materials or Services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Contract Claims

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (A.R.S. Title 41).



State of Arizona Participating Addendum

NASPO IT Research and Advisory Services

Arizona Department of Administration
State Procurement Office
100 North 15th Avenue
Phoenix, AZ 85007

Attachment B - Boycott of Israel Disclosure

Please note that if any of the following apply to this Solicitation, Contract, or Contractor, then the Offeror shall select the "Exempt Solicitation, Contract, or Contractor" option below:

- The Solicitation or Contract has an estimated value of less than \$100,000;
- Contractor is a sole proprietorship;
- Contractor has fewer than ten (10) employees; or
- Contractor is a non-profit organization.

Pursuant to A.R.S. § 35-393.01, public entities are prohibited from entering into contracts "unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Materials or Services from Israel."

Under A.R.S. § 35-393:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:

- (a) Based in part on the fact that the entity does business in Israel or in territories controlled by Israel.
- (b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.

2. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate, that engages in for-profit activity and that has ten or more full-time employees.

...

5. "Public entity": (a) Means this State, a political subdivision of this State or an agency, board, commission or department of this State or a political subdivision of this State. (b) Includes the universities under the jurisdiction of the Arizona board of regents and community college districts as defined in section 15-1401.

The certification below does not include boycotts prohibited by 50 United States Code Section 4842 or a regulation issued pursuant to that section. See A.R.S. § 35-393.03.

In compliance with A.R.S. § 35-393 *et seq.*, all Offerors must select one of the following:

- ☒ The Company submitting this Offer does not participate in, and agrees not to participate in during the term of the contract, a boycott of Israel in accordance with A.R.S. § 35-393 *et seq.* I understand that my entire response will become a public record in accordance with A.A.C. R2-7-C317;
- ☐ The Company submitting this Offer does participate in a boycott of Israel as described in A.R.S. § 35-393 *et seq.*; or
- ☐ **Exempt Solicitation, Contract, or Contractor.** Indicate which of the following statements applies to this Contract (may be more than one):
- ☐ Solicitation or Contract has an estimated value of less than \$100,000;
 - ☐ Contractor is a sole proprietorship;
 - ☐ Contractor has fewer than ten (10) employees; or
 - ☐ Contractor is a non-profit organization.

Forrester Research, Inc.

Company name

60 Acorn Park Drive

Address

Cambridge, MA 02140

City, State, ZIP

Chris Finn

Signature of person authorized to sign

Chris Finn, Chief Financial Officer

Printed name and Title

bbelanger@forrester.com (508)215-7473

Contact email address

Contact phone number

	Forced Labor of Ethnic Uyghurs Ban		State of Arizona State Procurement Office 100 N 15th Avenue, Ste 350 Phoenix, AZ 85007
	State of Arizona Participating Addendum	PAGE 1	
	Description: NAPOS IT Research and Advisory Services	OF 1	

Attachment C - Forced Labor of Ethnic Uyghurs Ban

Please note that if any of the following apply to the Contractor, then the Contractor shall select the “Exempt Contractor” option below:

- Contractor is a sole proprietorship;
- Contractor has fewer than ten (10) employees; OR
- Contractor is a non-profit organization.

Pursuant to A.R.S. § 35-394, written certification is required to show that the company entering into a contract with a public entity does not use the forced labor, or use any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor or any goods or services produced by the forced labor, of ethnic Uyghurs in the People's Republic of China.

Under A.R.S. § 35-394:

1. "Company" means an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate, that engages in for-profit activity and that has ten or more full-time employees.
2. "Public entity" means this State, a political subdivision of this State or an agency, board, commission or department of this State or a political subdivision of this State.

In compliance with A.R.S. § 35-394, all Contractors must select one of the following:

- ☒ The Company does not use, and agrees not to use during the term of the contract, any of the following:
- Forced labor of ethnic Uyghurs in the People's Republic of China;
 - Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or
 - Any Contractors, Subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- ☐ The Company does participate in the use of Forced Uyghurs Labor as described in A.R.S. § 35-394.
- ☐ **Exempt Contractor: Select all statements that** apply to the Contractor:
- ☐ Contractor is a sole proprietorship;
 - ☐ Contractor has fewer than ten (10) employees; and/or
 - ☐ Contractor is a non-profit organization.

Forrester Research, Inc.

Company name

60 Acorn Park Drive

Address

Cambridge, MA 02140

City, State, ZIP

Chris Finn

Signature of person authorized to sign

Chris Finn, Chief Financial Officer

Printed name and Title

bblanger@forrester.com 617-613-6260

Contact email address

Contact phone number