

Participating Addendum Number NVP_16267
for
Security & Fire Protection Services
between
State of Montana
and
Justice Systems Corporation

This Participating Addendum is entered into by State of Montana ("Participating Entity") and the following Contractor (each a "Party" and collectively the "Parties") for the purpose of participating in NASPO ValuePoint Master Agreement Number 99SWC-NV23-16267, executed by Contractor and the State of Nevada for Security and Fire Protection Services ("Master Agreement"):

Justice Systems Corporation
3902 West Valley Hwy N Suite 306
Auburn WA, 98001

I. PARTICIPATING ADDENDUM CONTACTS & NOTICE

Contractor's contact for this Participating Addendum is:

Paul Allyn
Justice Systems Corp.
pallyn@justicesys.com
425-890-1300

Participating Entity's contact for this Participating Addendum is:

Elena Halsan
State Procurement Services Division
Cooppurchasing@mt.gov
(406)-444-0169

- II. TERM.** This Participating Addendum is effective as of the date of the last signature below, and will terminate upon termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.
- III. PARTICIPATION AND USAGE.** This Participating Addendum may be used by all state agencies, institutions of higher education, cities, counties, districts, and other political subdivisions of the state, and nonprofit organizations within the state if authorized herein and by law. Participating Entity has sole authority to determine which entities are eligible to use this Participating Addendum. If Contractor becomes aware that an entity's use of this Participating Addendum is not authorized, Contractor will notify NASPO ValuePoint to initiate outreach to the appropriate parties.
- IV. GOVERNING LAW.** The construction and effect of this Participating Addendum and any Orders placed hereunder will be governed by, and construed in accordance with, Participating Entity's laws.
- V. SCOPE.** Except as otherwise stated herein, this Participating Addendum incorporates the scope, pricing, terms, and conditions of the Master Agreement and the rights and obligations set forth therein as applied to the Contractor and Participating Entity and Purchasing Entities.
- a. Services.** All services available through the Master Agreement may be offered and sold by Contractor to Purchasing Entities.
- b. Contractor Partners.** All subcontractors, dealers, distributors, resellers, and other partners identified on Contractor's NASPO ValuePoint webpage as authorized to provide Products and Services to Participating Entity may provide Products and Services to users of this Participating Addendum. Contractor will ensure that the participation of Contractor's subcontractors, dealers, distributors, resellers, and other partners is in accordance with the terms and conditions set forth in the Master Agreement and in this Participating Addendum.

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

Any conflict between this Participating Addendum and the Master Agreement will be resolved in favor of the Participating Addendum.

- VI. ORDERS.** Purchasing Entities may place orders under this Participating Addendum by referencing the Participating Addendum Number on an Order. Each Order placed under this Participating Addendum is subject to the pricing and terms set forth herein and in the Master Agreement, including applicable discounts, reporting requirements, and payment of administrative fees to NASPO ValuePoint and Participating Entity, if applicable.
- VII. FEDERAL FUNDING REQUIREMENTS.** Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. When applicable, a Purchasing Entity will identify in the Order any alternative or additional requirements related to the use of federal funds. By accepting the Order, Contractor agrees to comply with the requirements set forth therein.
- VIII. ORDER OF PRECEDENCE.**
- a) Participating Entity's State Terms and Conditions (Attachment A);
 - b) Participating Entity's Federal State Terms and Conditions (Attachment B);
 - c) Participating Entity's Information Technology Terms and Conditions (Attachment C);
 - d) This Participating Addendum;
 - e) The Master Agreement;
 - f) The Solicitation including all Addenda; and
 - g) Contractor's response to the Solicitation.

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

- IX. SUBMISSION OF PARTICIPATING ADDENDUM TO NASPO VALUEPOINT.** Upon execution, Contractor shall email a copy of this Participating Addendum and any amendments hereto to NASPO ValuePoint at pa@naspovaluepoint.org. While Participating Entity will maintain the official record of this Participating Addendum, the Parties agree that this Participating Addendum, as amended, may be published on the NASPO ValuePoint website.

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SIGNATURE

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

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

CONTRACTOR:

Signature

Printed Name

Title

Date

PARTICIPATING ENTITY:

DocuSigned by:
Craig Engelbrecht

Signature

Craig Engelbrecht

Printed Name

Vice President

Title

5/2/2026

Date

Approved as to Legal Content:

DocuSigned by:
Don Harris 5/1/2026

Legal Counsel (Date)

Approved as to Form:

Signed by:
Elena Halsan 5/1/2026

State Procurement Services Division (Date)

Attachment A:

State's Modifications and Additions to Master Agreement Terms and Conditions

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

1. PAYMENT TERM

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

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

2. U.S. FUNDS

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

3. REFERENCE TO PA

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

4. STATE OF MONTANA ADMINISTRATIVE FEE

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

5. REQUIRED REPORTING

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

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

6. TAXES

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

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

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

7. DELIVERY

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

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

8. INSURANCE

8.1 General Insurance Requirements

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

8.2 Primary Insurance

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

8.3 Deductibles and Self-Insured Retentions

Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer will reduce or eliminate such deductibles or self-insured retentions for State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor will procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

8.4 Certificate of Insurance/Endorsements

State requires Contractor to provide a certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages. Certificates shall be submitted to the State Procurement Services Division, P.O. Box 200135, Helena, MT 59620-0135. The certificate must name the State of Montana as a certificate holder and Contractor shall provide copies of additional insured endorsements to State. Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, or changes in status of policy. State reserves the right to require complete copies of insurance policies at all times.

8.5 Commercial General Liability

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

Contractor grants to State a waiver of any right to subrogation that any insurer of Contractor may acquire against State by virtue of the payment of any loss under insurance. Contractor shall obtain any endorsement that may be necessary waive subrogation, and this provision applies regardless of whether State has received a waiver of subrogation endorsement from Contractor's insurer. State, its employees, officers, officials, agents, and volunteers are to be covered and listed as additional insured for liability arising out of services performed by or on behalf of Contractor, including materials, parts, or equipment furnished in connection with such services.

8.6 Compliance With Workers' Compensation Act

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance

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

9. RECORD ACCESS AND RETENTION

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

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

10. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

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

11. WARRANTIES

11.1 Warranty of Products

Contractor shall provide the Participating Entity the same warranties as it has provided the State of Idaho in the Master Agreement and the products supplied conform to the specifications requested, are fit and sufficient for the purpose manufactured, are of good material and workmanship, and are free from defect for the same warranty period as Contractor provide the State of Idaho in the Master Agreement. Contractor further warrants that the products are new and unused and of the latest model or manufacture.

11.2 Warranty of Services

Contractor warrants that the services provided conform to the Contract requirements, including all descriptions, specifications and attachments made a part of this Contract. State's acceptance of services provided by Contractor shall not relieve Contractor from its obligations under this warranty. In addition to its other remedies under this Contract, at law, or in equity, State may require Contractor to promptly correct, at Contractor's expense, any services failing to meet Contractor's warranty herein. Services corrected by Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished.

11.3 Warranty of Title

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

11.4 Warranty on Safety and Health Requirements

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

11.5 Manufacturer Warranties

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

11.6 Warranties Cumulative

The warranties in this Section are in addition to any other warranties provided in this Contract. All warranties are cumulative and are intended to afford the Participating Entity the broadest warranty protection available.

11.7 Warranty For Services

- A. Contractor warrants that it performs all services using reasonable care and skill and according to its current description (including any completion criteria) contained in this Contract.
- B. State agrees to provide timely written notice of any failure to comply with this warranty so that Contractor can take corrective action.
- C. Contractor has acquired any and all rights, grants, assignments, conveyances, licenses, permissions, and authorization for Contractor to provide the Services described in this Contract.
- D. Contractor will not interfere with State's access to and use of the Services it acquires from this Contract.
- E. The Services provided by Contractor are compatible with and will operate successfully with any environment (including web browser and operating system) specified by Contractor.
- F. Contractor warrants that the products it provides under this Contract are free of malware. Contractor must use industry-leading technology to detect and remove worms, Trojans, rootkits, rogues, dialers, spyware, etc.
- G. The parties agree that the warranties set forth above do not require uninterrupted or error-free operation of hardware or services unless otherwise stated in the specifications.

12. PUBLIC INFORMATION

This Contract and all related documents are subject to disclosure pursuant to Montana public information laws. Under Montana public information laws, unless information meets an exception to the public's right to know, this Contract,

referenced documents, including pricing documents, are all deemed public information.

For purposes of this Contract, Contractor and Participating Entity agree Section 14.2.1.1 of the Master Agreement is superseded and replaced with the following and any reference to Section 14.2.1.1 shall likewise refer to the following:

Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Contract, including but not necessarily limited to matters involving individual privacy and information that is necessary to maintain the security and integrity of secure facilities or information systems owned by or serving the Participating Entity or State of Montana, is confidential information of Purchasing Entity ("Confidential Information").

13. DEFENSE, INDEMNIFICATION / HOLD HARMLESS

13.1 Indemnities by Contractor

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

- A. Any acts or omissions of Contractor, its employees, sub-contractors, assignees, or third-party providers in or in connection with the execution or performance of the Contract and any purchase order issued under the Contract, except for the sole negligence of State.
- B. Any and all third-party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in or in connection with the execution or performance of the Contract and any purchase orders issued under the Contract, or
- C. Tax liability, unemployment insurance, workers' compensation, or expectations of benefits by Contractor, its employees, representatives, agents, or subcontractors in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract.

13.2 Coordination of Defense

State shall give Contractor prompt notice of any Claim, and at Contractor's expense, State shall cooperate in the defense of the Claim. Contractor

acknowledges that under Montana law, the Montana Attorney General may participate in an action involving State.

13.3 State Reimbursement

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

14. LIMITATION OF LIABILITY

For purposes of this Contract, Contractor and Participating Entity agree Sections 12.3.2 and 12.3.2.1 of the Master Agreement are superseded and replaced with the following and any reference to Sections 12.3.2 and 12.3.2.1 shall likewise refer to the following:

14.1 General Limitation

Contractor shall not be liable for special, incidental, consequential, punitive, or indirect damages. Except as provided in Section 14.2 – Exceptions, Contractor's liability for contract damages is limited to direct damages and further to no more than twice the Contract amount.

14.2 Exceptions.

The foregoing limitations shall not apply to:

- A. liability for damage or loss caused by injury to persons or tangible property;
- B. amounts due or obligations under a clause imposing a duty to defend or indemnify;
- C. any loss or claim to the extent the loss or claim is covered by a policy of insurance maintained by Contractor or required by this agreement to be maintained by Contractor; or
- D. matters for which liability cannot be excluded or limited under applicable law.

15. COMPLIANCE WITH LAWS

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

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

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

- A. the hiring of persons to fulfill Contractor's duties in this Contract will be made based on merit and qualifications; and
- B. there will be no discrimination based on race, color, sex, pregnancy, childbirth, or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

Any subcontracting by Contractor obligates subcontractors to the above.

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

16. CONTRACT TERMINATION

16.1 Termination for Convenience

State may, by written notice to Contractor, terminate this Contract without cause and without incurring liability to Contractor. State shall give notice of termination to Contractor at least 30 days before the effective date of termination. State shall pay Contractor only that amount, or prorated portion thereof, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this Section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16.2 Termination for Cause with Notice to Cure Requirement

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

16.3 Reduction of Funding

State must, by law, terminate this Contract if funds are not appropriated or otherwise made available to support State's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA.) If state or federal government funds are not appropriated or otherwise made available through State's budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that

initial level) in subsequent fiscal periods, State shall terminate this Contract as required by law. State shall provide Contractor the date State's termination shall take effect. State shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this Section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16.4 Terrorism, Suspension or Debarment, or Otherwise Ineligible

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

- A. Contractor is listed on the prohibited vendors list authorized by Executive Order #13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control;
- B. Contractor is suspended or debarred from doing business with the federal government as listed in the System for Award Management maintained by the General Services Administration; or
- C. Contractor is found to be ineligible to hold the Contract under the laws of State.

17. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition.

18. CONFORMANCE WITH CONTRACT

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

19. MEETINGS

19.1 Technical or Contractual Problems.

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

19.2 Progress Meetings

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

19.3 Failure to Notify

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

19.4 State's Failure or Delay

For a problem or circumstance identified in Contractor's status report in which Contractor claims was the result of State's failure or delay in discharging any State obligation, State shall review same and determine if such problem or circumstance was in fact the result of such failure or delay. If State agrees as to

the cause of such problem or circumstance, then the parties shall extend any deadlines or due dates affected thereby and provide for any additional charges by Contractor. This is Contractor's sole remedy. If State does not agree as to the cause of such problem or circumstance, the parties shall each attempt to resolve the problem or circumstance in a manner satisfactory to both parties.

20. TRANSITION ASSISTANCE

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

Contractor shall verify on the Purchase Order that any purchase under this Participating Addendum does not use federal grant money. This Section is only applicable until Contractor and State mutually agree on Federal Terms and Conditions.

21. CHOICE OF LAW AND VENUE

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

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

22. AUTHORITY

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

23. SEVERABILITY

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

24. WAIVER

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

25. PUBLIC DISCLOSURE

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

26. SURVIVAL

All provisions in this Contract that relate to warranties, Audit, Payment, Indemnification, Defense, and Hold Harmless, and Limitation of Liability, shall survive any termination of this Contract.

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

Exhibit B
Federal Terms and Conditions
(Non-Construction)

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

By submitting a response to this invitation for bid, request for proposal, limited solicitation, or by accepting a contract, Contractor agrees and acknowledges State has received a Federal Award for this Contract and therefore the following Federal Terms and Conditions apply along with all other provisions that are specific and applicable to this solicitation or contract.

1. Breach, Default, Termination

State reserves the right to pursue all available legal, administrative, contractual or equitable remedies in the event of Contractor's breach of contract or violation of any term of this Contract, including all Attachments and Exhibits. State maintains the right to terminate this Contract and retains all rights and remedies against Contractor. State shall also have the right to terminate this Contract in the manner prescribed in this Contract, including the right to terminate upon the reduction or elimination of Federal funding for the purpose of this Contract.

2. Nondiscrimination

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

- a. On the basis of race, color or national origin, in Title VI of the Civil Rights Act of 1964 (42 USC Section 2000d, *et seq.*), as implemented by Department of Defense (DOD) regulations at 32 CFR part 195.
- b. On the basis of race, color, religion, sex, or national origin, in Executive Order 11246 (3 CFR, 1964-1965 Comp. pg. 339), as implemented by Department of Labor regulations at 41 CFR part 60.
- c. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 USC 1681, *et seq.*), as implemented by DOD regulations at 32 CFR part 196.
- d. On the basis of age, in the Age Discrimination Act of 1975 (42 USC Section 6101, *et seq.*), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.
- e. On the basis of disability, in Sections 504 and 508 of the Rehabilitation Act of 1973 (29 USC 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DoD regulations at 32 CFR part 56.
- f. Equal Employment Opportunity: Except as otherwise provided in 41 CFR Part 60, all "federally assisted construction contracts," as defined in 41 CFR Part

60-1.3 are subject to the Equal Opportunity clause contained in 41 CFR 60-1.4(b), incorporated by reference. Furthermore, the Equal Opportunity clause contained in 41 CFR 60-1.4(b) applies to all nonexempt subcontracts entered into by Contractor under this Contract, and Contractor agrees to include the Equal Opportunity clause contained in 41 CFR 60(1.4)(b) in all nonexempt subcontracts.

3. Equal Employment Opportunity

Except as otherwise provided in 41 CFR Part 60, all “federally assisted construction contracts,” as defined in 41 CFR Part 60(1.3) are subject to the Equal Opportunity clause contained in 41 CFR 60(1.4)(b), incorporated by reference. Furthermore, the Equal Opportunity clause contained in 41 CFR 60(1.4)(b) applies to all nonexempt subcontracts entered into by Contractor under this Contract, and Contractor agrees to include the Equal Opportunity clause contained in 41 CFR 60(1.4)(b) in all nonexempt subcontracts.

4. Davis-Bacon Act, as amended (40 USC 3141-3148)

Where applicable, all prime construction contracts in excess of \$2,000 shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the Davis-Bacon Act, Contractor must pay wages to laborers and mechanics at a rate not less than prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, Contractor must pay wages not less than once per week. If the Davis-Bacon Act applies, this Contract is conditioned upon the acceptance of the wage determination. State will report to the Federal Awarding Agency all suspected or reported violations of the Davis-Bacon Act.

5. Lobbying

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

The Final Rule, New Restrictions on Lobbying, issued by the Office of Management and Budget and the DOD (32 CFR Part 28) to implement the provisions of Section 319 of Public Law 101-121 (31 USC 1352) is incorporated by reference and the parties to this Contract agree to comply with all the provisions thereof, including any amendments to the Interim Final Rule that may hereafter be issued.

6. Drug-Free Work Place

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

7. Environmental Protection

- a. Contractor agrees that its performance under this Contract shall comply with:
 - 1) Section 114 of the Clean Air Act (42 USC Section 7414);
 - 2) Section 308 of the Federal Water Pollution Control Act (33 USC Section 1318), that specifies inspection, monitoring, entry reports, and information, and with all regulations and guidelines issued therein;
 - 3) The Resources Conservation and Recovery Act (RCRA);
 - 4) The Comprehensive Environmental Response, Compensation and Liabilities Act (CERCLA);
 - 5) The National Environmental Policy Act (NEPA);
 - 6) The Solid Waste Disposal Act (SWDA); and
 - 7) The applicable provisions of the Clean Air Act (42 USC 7401, *et seq.*) and Clean Water Act (33 USC 1251, *et seq.*) as implemented by Executive Order 11738 and Environmental Protection Agency (EPA) rules at 40 CFR Part 31.
- b. In accordance with the EPA rules, Contractor shall identify to State any impact this Contract may have on:
 - 1) The quality of the human environment and provide help the Agency may need to comply with the NEPA (42 USC 4321, *et seq.*), and to Preparing Environment Impact Statements or other required environmental documentation. In such cases, Contractor shall take no action that will have an adverse environmental impact (e.g., physical disturbance of a site such as breaking of ground) until State provides written notification of compliance with the environmental impact analysis process.
 - 2) Flood-prone areas, and provide assistance when State may need to comply with the National Flood Insurance Act of 1968 and Flood Disaster Protection Act of 1973 (42 USC 4001, *et seq.*), which require flood insurance, when available, for federally assisted construction or acquisitions in flood-prone areas.
 - 3) Coastal zones, and provide assistance when State may need to comply with the Coastal Zone Management Act of 1972 (16 USC 1451, *et seq.*), concerning protection of US coastal resources.

- 4) Coastal barriers, and provide assistance when State may need to comply with the Coastal Barriers Resource Act (16 USC 3501, *et seq.*), concerning preservation of barrier resources.
- 5) Any existing or proposed component of the National Wild and Scenic Rivers System, and provide assistance when State may need to comply with the Wild and Scenic Rivers Act of 1968 (16 USC 1271, *et seq.*).
- 6) Underground sources of drinking water in areas that have an aquifer that is the sole or principal drinking water source, and provide assistance when State may need to comply with the Safe Drinking Water Act (42 USC 300H-3).

8. Use of United States Flag Vessels/Cargo Preference

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

Contactors agree that it will comply with the Cargo Preference Act of 1954 (46 USC Chapter 553), as implemented by Department of Transportation regulation at 46 CFR 381.7, and 46 CFR 381.7(b).

9. Debarment and Suspension

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

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

10. Domestic preference for procurements (2 CFR 200.322)

As appropriate and to the extent consistent with law, Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum, plastics and polymer-based products

such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

11. Build America, Buy America (P.L. 117-58 sections 70911-70917)

When using Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States, Contractor is subject to the Buy America Sourcing requirements under the Build America, Buy America Provisions of the Infrastructure Investment and Jobs Act. These sourcing requirements require that all iron, steel, manufactured products, and construction materials used in Federally funded infrastructure projects must be produced in the United States. Noncompliant purchases must not be made until a waiver is obtained from the Federal funding agency.

12. Uniform Relocation Assistance and Real Property Acquisition Policies

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

13. Copeland "Anti-Kickback" Act

Where applicable, Contractor with all prime construction contracts over \$2,000 agrees to comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). As applied to this Contract, the Copeland "AntiKickback" Act makes it unlawful to induce, by force, intimidation, threat or procuring dismissal from employment, or otherwise, any person employed in the construction or repair of public buildings or public works, financed in whole or in part by the United States, to give up any part of the compensation to which that person is entitled under a contract of employment. State will report to the Federal Awarding Agency any suspected or reported violations of the Copeland "Anti-Kickback" Act.

14. Contract Work Hours and Safety Standards Act

Where applicable, all contracts over \$100,000 which involve the use of mechanics or laborers shall comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Contractor agrees that it will comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 3701-3708), as supplemented by Department of Labor regulations (29 CFR Part 5). As applied to this Contract, the Contract Work Hours and Safety Standards Act specifies that no laborer or mechanic doing any part of the work contemplated by this Contract shall be required or permitted to work more than 40 hours in any workweek unless paid for all additional hours at not less than 1.5 times the basic rate of pay. The requirements of 40 USC 3704 apply to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open

market, or contracts for transportation or transmission of intelligence.

15. Rights to Inventions Made Under a Contract or Agreement

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

16. Clean Air Act and Federal Water Pollution Control Act

Any Contract or subcontract in excess of \$150,000 must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671(q) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to State who in turn will report to the Federal awarding agency and the EPA Regional Office.

17. Federal Water Pollution Control Act (33 USC 1251-1387), as amended

For Contracts and subgrants over \$150,000, Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act as amended (33 USC 1251-1387). State will report violations to the Federal Awarding Agency and the EPA Regional Office.

18. Energy Policy and Conservation Act (42 USC 6201)

Contractor shall comply with all mandatory standards and policies relating to energy efficiency contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC 6201).

19. Byrd Anti-Lobbying Amendment

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

20. System For Award Management and Unique Entity Identification Number

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

21. Procurement of Recovered Materials

Contractor must comply with Section 6002 of the Solid Waste Disposal Act, 42 USC 6901-6992k, as amended by the Resource Conservation and Recovery Act. The

requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at [40 CFR part 247](#) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

22. Never contract with the enemy (2 CFR 200.215)

Contractor is subject to the regulations implementing Never Contract with the Enemy in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

23. 2 CFR 200.326, Appendix II, Required Contract Clauses

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

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

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

The National Defense Authorization Act of 2019 (Section 889) requires federal government purchase cardholders to obtain assurance from merchants that merchants are not using telecommunications equipment, systems, or services produced by Huawei Technologies Company or ZTE Corporation, (or any subsidiary or affiliate of these companies); or video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities). The merchant assurance is provided as a “representation” signed by the merchant’s authorized representative.

EXHIBIT C: INFORMATION TECHNOLOGY TERMS AND CONDITIONS

Contract No. NVP_16267

These Terms and Conditions are between the

State of Montana

125 N Roberts St Rm 165

Helena, MT 59602

(State)

And

Justice Systems

DbA LONG Building Technologies, Inc

800 SW 34th St, Suite A

Renton WA, 98057

(Contractor)

1. IT Oversight

a. CIO Approval

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

b. CIO Oversight

The Chief Information Officer (CIO) for the State of Montana, or designee, may perform oversight activities. Such activities may include the identification, analysis, resolution, and prevention of deficiencies that may occur while Contractor is performing services. The CIO may require the issuance of a Right to Assurance or may issue a Stop Work Order.

c. Right to Assurance

If State, in good faith, has reason to believe that Contractor does not intend to, is unable to, or has refused to perform or continue performing all material obligations under these Terms and Conditions, State may demand in writing that within a certain number of days (no less than 5 business days) specified in the demand for Contractor to provide a written assurance of intent to perform. State may, at State's option, find this a basis for termination allowing State to pursue all available rights and remedies.

d. Stop Work Order

State may, at any time by written order to Contractor require Contractor to stop any or all parts of required work for the period of days indicated by State after the order is delivered to Contractor. This order must be specifically identified as a Stop Work Order (SWO) issued under these terms and conditions. Upon receipt of the SWO, Contractor shall immediately comply with its terms and take all reasonable steps to minimize incurrence of costs allocable to the work covered by the SWO during the period of work stoppage. If a SWO issued under these terms and conditions is canceled or the period of the order or any extension expires, Contractor shall resume work. State's Contract

Manager shall make the necessary adjustment in the delivery schedule or price, or both, and the services shall accordingly be amended in writing.

e. Remote Access

Contractor agrees that Montana information technology resources will not be accessed by Contractor, including all officers, employees, agents, subcontractors, affiliated users, and any subcontractors located outside of the legal jurisdictional boundary of the United States (outside of the United States, its territories, embassies, or military installations).

2. Blind or Visually Impaired Access

No State funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (18-5-603, MCA.) State Procurement Services Division at (406) 444-2575 has more information concerning nonvisual access standards.

3. IT Accessibility Requirements

Contractor understands and agrees to comply with federal law on or before April 24, 2026, if applicable, in compliance with Health and Human Services (HHS) Section 508 and Accessibility Standards Section 508 of the Rehabilitation Act, as amended by the Workforce Investment Act of 1998 (P.L. 105-220), which requires that when State develops, procures, maintains, or uses information and communication technology (ICT), it shall be accessible to people with disabilities. State employees and members of the public who have disabilities must have access to, and use of, information and data that is comparable to people without disabilities. All products, platforms and services delivered as part of this Contract that are ICT, or contain ICT, must conform to the Revised 508 Standards, which are located at 36 CFR 1194.1 & Apps. A, B, & C, and available at <https://www.access-board.gov/ict/>. All requirements are applicable to support services and documentation deliverables. All functional performance criteria apply when using an alternative design or technology that achieves substantially equivalent or greater accessibility and usability by individuals with disabilities, than would be provided by conformance to one or more of the requirements in Chapters 4-6 of the Revised 508 Standards, or when Chapters 4-6 do not address one or more functions of ICT. For each proposed product or platform, a fully completed Accessibility Conformance Report (ACR) using the Voluntary Product Accessibility Template (VPAT) must be submitted. See (<https://www.itic.org/policy/accessibility/vpat>) or HHS conformance checklist(s) (<https://www.hhs.gov/web/section-508/accessibility-checklists/index.html>). Prior to commencing performance, Contractor must demonstrate conformance to the HHS Section 508 requirements via HHS Section 508 checklist(s) (<https://www.hhs.gov/web/section508/accessibility-checklists/index.html>). State reserves the right to perform testing on required ICT items to validate Contractor's Section 508 conformance claims. If State determines at any time that Section 508 conformance does not meet the HHS Section 508 requirements, State shall, at its option, require Contractor to remediate the item, at no additional fee or cost to State and align with HHS Section 508 conformance requirements or immediately terminate this Contract with no additional fee or cost to State.

4. Subcontractor

Contractor shall be responsible for ensuring its subcontractors' compliance with these terms and conditions.

5. Security Awareness

Upon request, Contractor agrees to certify that Contractor's officers, employees, agents, subcontractors, and affiliated users with access to the State information technology data, digital access systems, information technology resources, or telecommunications

networks (2-17-506, MCA) have completed security awareness training within the past 12 months before gaining access to State information technology resources or may complete State-approved annual security awareness training.

6. State-Approved Criminal Background Checks

Contractor warrants to only assign employees and subcontractors who have annually completed and passed a background check. With Contractor's access to particularly sensitive data and at State's request, Contractor's employees and subcontractors shall complete an additional State IT background check.

7. Physical Activities and Spoofing

a. Physical Activities

Contractor and its officers, employees, agents, affiliated users, and any subcontractors shall not violate or attempt to violate the security of State's network or interfere or attempt to interfere with State's systems, networks, authentication measures, servers or equipment, or with the use of or access to State's network by any other user.

b. Spoofing

Contractor agrees to use State's secure email relay for sending email from cloud services to its users. Additionally, Contractor shall not perform unauthorized spoofing or scanning of any kind, including user account identity. Contractor's systems shall not spoof the mt.gov domain or engage in email spoofing. Email spoofing is the creation of email messages with a forged sender address, including creating or sending emails using State's domain. Such prohibited activity includes but is not limited to:

- (i) Accessing or logging into a server where access is not authorized;
- (ii) Unauthorized probing, scanning, or testing the security or vulnerability of State's network or other systems; and

(iii) Attempting to portray itself as State or an affiliate of State or otherwise attempting to gain access, without authorization, via State's network or systems to any account or information technology resource not belonging to Contractor or its officers, employees, agents, subcontractors, and affiliated users.

8. Linked Terms and Conditions

The parties specifically agree that any language or provisions contained on either party's website or product schedule, or contained in any "shrinkwrap" or "clickwrap" agreement shall be of no force and effect and shall not in any way supersede, modify or amend these Terms and Conditions.

9. Cyber Security Insurance

Contractor shall purchase and maintain cyber/information security insurance coverage with combined single limits for each wrongful act of \$6,000,000 in the aggregate to cover unauthorized acquisitions of personal information such as social security numbers, credit card numbers, financial account information, or other information that uniquely identifies an individual and may be of a sensitive nature in accordance with 2-6-1501-1503, MCA. If Contractor maintains higher limits than the minimums shown above, State requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to State. Such insurance must cover, at a minimum, privacy notification costs, credit monitoring, forensics investigations, legal fees/costs, regulatory fines and penalties, and third-party liability settlements or judgments as may be caused by any act, omission, or negligence of Contractor's officers, agents, representatives, assigns or subcontractors. Note: if occurrence coverage is unavailable or cost-prohibited, State will accept "claims made" coverage provided the following conditions are met: 1) the retroactive date must be shown, and must be before the date of the contract or the beginning of the contract work; 2) insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of

the contract of work; and 3) if coverage is cancelled or non-renewed and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase “extended reporting” coverage for a minimum of three (3) years after completion of work.

10. Intellectual Property Rights

In the event State suggests or requests any modifications or improvements to Contractor’s software which are implemented by Contractor, such modifications or improvements shall become the sole property of Contractor. All right, title and interest in software, and all copyrights, patents, trademarks, service marks or other intellectual property or proprietary rights relating thereto, belong exclusively to Contractor.

11. Title and Ownership Rights

State retains title to and all ownership rights in all State data and content provided by State ("Content"), including but not limited to multimedia or images (graphics, audio, and video), text, and the like, and grants Contractor the right to access and use Content for the purpose of complying with its obligations under this Contract and any applicable statement of work.

12. Violation of Terms and Conditions Sanction

Violation of these terms and conditions may also be a violation of state and federal law and include both civil and criminal penalties.

13. Indemnification

State shall not indemnify Contractor or its subcontractor.

14. Information Technology Resource Categories

The services provided by Contractor involve the following information technology resources (check all that apply):

☒ On premise system services	☐ On premise system ☐ Software ☒ Hardware
☐ Internet Of Things Systems	☐ Professional IT Services
☐ SaaS	☐ Cloud System
☐ PaaS	☐ Not listed [please describe]
☐ IaaS	

15. Data and Security

☐ **No Data** (such as IT peripherals)

☐ **Public Data - mapped to Federal Information Processing Standards (FIPS) 199 LOW.**

“Low Level Data” is information residing in information systems categorized as Low and available to the general public and eligible for public access.

☒ **Non-public Data - mapped to FIPS 199 MODERATE.** “Moderate Level Data” is information residing in information systems categorized as Moderate and governed by specific laws on disclosure to third parties or the public which determine and protect confidentiality.

☐ **Non-public Data - mapped to FIPS 199 HIGH.** “High Level Data” is information residing in information systems categorized as High and, if divulged, could compromise or endanger

citizens, employees, or safety assets of State. (A separate Data Level Contract will be attached.)

Public Data (Low)	Non-Public Data (Moderate)	Section Heading	IT Terms and Conditions
✓	✓	Data Ownership and Access	Data Ownership State owns all right, title, and interest in its data that is related to the services provided. State data may also include data from a third party. Data Access Contractor shall not access State of Montana user accounts, or State data, except: (i) in response to service or technical issues; (ii) as required by the express terms of services engagement document; or (iii) at State's written request.
	✓	Data Location	Data Location Contractor shall not store, process, or transfer any non-public State data outside of the United States, including for back-up and disaster recovery purposes.
✓	✓	Data Disclosure and Usage	Data Disclosure-Prohibition At no time will any information belonging to or intended for State, be copied, disclosed, or retained by Contractor or any party related to Contractor for subsequent use in any transaction. Confidential Data-Usage Contractor will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data to the minimum degree necessary to accomplish the services. Privacy protection of personal identifiable information, personal identifiable health information, and sensitive data shall be an integral part of the business activities of Contractor to ensure that there is no inappropriate or unauthorized use of State information at any time. Limitation on Usage to Purpose of Services Contractor shall not use any information collected for any purpose other than fulfilling the service. Data Safeguards Contractor shall safeguard the confidentiality, integrity, and availability of State information. Subsequent Use Contractor shall not use any data for subsequent use that has not been expressly authorized by State.

			Syndicated Data Contractor shall not use State data to create syndicated data unless expressly authorized by State in writing.
✓	✓	Authorized Personnel	Authorized Personnel Only duly authorized personnel will have access to State data and may be required to obtain security clearance from State.
✓	✓	Use of AI	Use of AI or State Sub Domain: Prior to providing State any goods or services, Contractor must inform State of any generative Artificial Intelligence (“AI”) in Goods or Services relating to this Contract. Additionally, utilization of generative AI in the creation of Goods and Services impacting State’s Intellectual Property Rights shall include annotations citing source materials. Contractor is prohibited from using State materials or data in generative AI queries without prior written permission from State, as well as from building or training proprietary generative AI programs. Contractor attests that its AI models use only properly licensed material. Should Contractor be found in violation of this requirement, Contractor shall fully indemnify and defend State from all claims related thereto. Should Contractor learn that State materials or data has been used in generative AI queries without permission from State, Contractor shall immediately notify State of the use and cover the full expense of any remediation.
	✓	Breach and Notification	Notification to State Without unreasonable delay, Contractor must notify the State of Montana Chief Information Security Officer of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State of Montana data. Notification to Person Upon discovery or notification of a breach of the security of a data system, Contractor shall comply with 2-6-1503, MCA, including if the data is unencrypted. Without unreasonable delay, consistent with the legitimate needs of law enforcement, Contractor shall make reasonable efforts upon discovery or notification to the impacted State agency of a breach and will notify any person whose personal information is reasonably believed to have been acquired by an unauthorized person. This notification may be delayed at the request of law enforcement. No Limitation of Liability for Contractor Negligence

			Contractor cannot limit its liability to relieve Contractor or its subcontractors from its own security incident or data breach that materially compromises the security, confidentiality, or integrity of personal information maintained by a state agency or by a third party on behalf of a state agency (2-6-1501, MCA), negligence, or to the extent that it creates an obligation on the part of State to indemnify or hold a Contractor harmless.
✓	✓	Termination and Suspension of Service	Suspension of Services During any period of suspension, negotiation, or disputes, Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data. Termination of a portion or of the entire services provided. In the event of termination of any services or Contract in entirety, Contractor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data for a period of 90 days after the effective date of the termination. Within this 90-day timeframe, Contractor will continue to secure and backup State data covered under the provided services. After such 90-day period, Contractor shall have no obligation to maintain or provide any State data. Thereafter, unless legally prohibited, Contractor shall dispose securely of all State data in its systems or otherwise in its possession or control, as specified herein. Post-Termination Assistance State shall be entitled to any post-termination assistance generally made available with respect to the Services unless unique data retrieval arrangements has been established as part of the Contract or Service Level Agreement.
	✓	Data Disposition	State data may be disposed at the termination of services using one of the following methods: 1. State Removal with Contractor's Tools State may remove or destroy State data using Contractor's tools. 2. Contractor to Return State Data Contractor will account for and return all State data in all of its forms. The data shall be returned in a format acceptable to State. At no time shall any data or processes that either belong to or are intended for the use of State or its officers, agents, or employees, be copied, disclosed, or retained by Contractor. 3. Contractor to Destroy State Data

			When required by State, Contractor shall destroy all requested data in all forms. Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) SP 800-88 "Media Sanitization Guidelines." 4. Certificate of Destruction In all cases, Contractor will certify that all State information process during the performance of the services will be completely purged from all physical and electronic data storage with no output to be retained by Contractor at the time the work is completed, the Contract is terminated, or upon written request of State.
✓	✓	Notification s of Legal Requests	Notification of Requirement to Access State Data Contractor shall contact State upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to State data. Legal Request for State Data Regarding State data and processes, Contractor shall not respond to subpoenas, service of process, and other legal requests without first notifying State unless prohibited by law from providing such notice.
✓	✓	Data Encryption	In Transit and At Rest Contractor shall encrypt all data in transit, regardless of transit mechanism, and at rest. Encryption Standards Contractor's encryption shall meet validation cryptography standards as specified by NIST in FIPS 140-2 and subsequent security requirements guidelines. Contractor and State will negotiate mutually acceptable key location and key management details.
✓	✓	System Security	Contractor Responsibility Contractor shall ensure systems delivered are adequately secure. Adequate security is defined to require compliance with Federal and State of Montana security requirements and to ensure freedom from those conditions that may impair State's use of its data and information technology or permit unauthorized access to State's data or information technology. State Security Policy, Framework, Standards and Controls State has established security policy, framework, standards, and controls that align with the NIST Cybersecurity Framework. The latest revision of NIST SP 800-53 is used for control adherence evaluation

			established after developing a security categorization utilizing FIPS PUB 199. Managerial, Operational, and Technical Controls All computer systems receiving, processing, storing, or transmitting State data must meet the control requirements for the associated security categorization within NIST SP 800-53 (latest revision). To meet functional and assurance requirements, the security features of the environment must provide managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to State data. Independent Security Audits Contractor shall provide reasonable proof, through independent audit reports, typically AICPA SOC 2 Type 2, that the system specified in delivering the services meets or exceeds federal and State security requirements to ensure adequate security and privacy, confidentiality, integrity, and availability of State's data and information technology. Annual Assurance The delivery of annual assurance statements shall be facilitated by the Contract Manager. Annual assurance statements must contain a detailed accounting of the security controls implemented. Security Audits and Annual Statements State considers the security audits and annual statements to be confidential and upon Contractor's request, will route a Nondisclosure Agreement. In compliance with SOC 2 security compliance, State will destroy all confidential information upon completion of any Security Audit or review of Annual Statements. System Security Plan Contractor agrees to include within their Statement of Work a provision assisting with the creation of a System Security Plan (SSP). State may require Contractor to supply a Cloud/Customer Responsibility Matrix which denotes responsibilities as either Shared Contractor or State.
✓	✓	Security Standard Compliance Certificate	Security Certification Contractor shall meet, and provide proof of, one or more of the following Security Certifications. • GovRAMP- Authorized Product Certification • FedRAMP- Federal Risk and Authorization Management Program

			• ISO 27001:2013 • HITRUST CSF • Other industry-recognized certification, as approved by State and only if the Contractor cannot provide one of the above certifications.
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