



Amendment of Solicitation

Date of Issuance: 12/21/2017

Solicitation No. OK-MA-818

Requisition No. OM-MA-818

Amendment No. 1

Hour and date specified for receipt of offers is changed: No Yes, to: _____ CST

Pursuant to OAC 260:115-7-30(d), this document shall serve as official notice of amendment to the solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent.

Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

- (1) Sign and return a copy of this amendment with the solicitation response being submitted; or,
- (2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

ISSUED BY and RETURN TO:

Lisa Bradley
Contracting Officer

405 - 522 - 4480
Phone Number

Lisa.Bradley@omes.ok.gov
E-Mail Address

Description of Amendment:

a. This is to incorporate the following:

The State of Oregon has issued an Intent to Participate for this contract offering. This form and the terms and conditions shall be incorporated into the original RFP Solicitation package and is attached to this amendment.

Questions and Answers:

1. **Question:**

Reference: Page 19 of Solicitation, Section 4: Subsection 4.1.3: *Prices must stay firm for the first twelve (12) months of the contract.*

- i. **Question:** May the Contractor request a variation of the firm fixed price requirement -such as an agreed pricing profile based on a firm percentage [%] discount off of list catalog pricing? The discount would remain firm on list prices for individual parts allowing an increase or decrease throughout the term of the contract.

- a. **Reasoning:** Considering that some parts that the Contractor may procure will come from unrelated third party suppliers where control over initial cost changes may vary throughout the term of the contract.

Answer: The percentage discount is the portion which must remain firm. However, any pricing change to that percentage discount that will benefit the users of this contract will be reviewed for acceptance.

2. Question:

Reference: Solicitation Detail: Categories and Attachment C: Cost Workbook

- i. **Question:** Is there a supplementary/detailed or extensive list of requested parts/part numbers that can be referenced?
 - a. **Reasoning:** When considering tools, does NASPO have a preference for items bid and priced out as sets, individual parts or both. The categories offered in the solicitation detail are very broad in nature, and catalog submissions may be quite large and include superfluous parts.

Answer: Due to the wide variance of tool categories, the Value Added Cost section is blank to allow each supplier to detail their product lines and will be evaluated individually. We are relying on the supplier to reference their recommendations to the product sample line they can offer. There is no preference on the unit of measure, as long as each unit of measure is explained in detail.

3. Question:

Will a vender be found non-responsive for not offering early payment discounts called for in Attachment E, Section 8 second paragraph in addition to the NET 45 payment terms?

Answer: No.

4. Question:

Can you please clarify if applicable installation and training are a requirement or a value added benefit?

Answer: Hopefully a successful vendor can provide installation and/or training, and should explain the benefits on the value added submission template.

5. Question:

Is there a maximum numbers of vendors that will be awarded or will all qualified be awarded?

Answer: There is not a pre-determined number of vendors that will be awarded.

6. Question:

Is there a minimum quantity you are looking for with the market basket?

Answer: No. An average number would range from 20 to 40 line items.

7. Question:

Are the items in the market basket the only items that the entities will be able to purchase?

Answer: No. Section 5.2.3 mentions the percentage discount is required and will be included in the cost evaluation score. By awarding by discount percentage by product category, this covers the entire category which supplier responded to and has included in Attachment C.

8. Question:

Can we use our catalog published list price instead of a manufacturer list price.

Answer: Yes, as long as it is publically available for viewing.

9. Question: Do you want the discounts listed by manufacturer or tool category?

Answer: Category. You may include additional percentage discounts for manufacturer and also for volume discounts.

10. Question:

So to be clear, there is no specific list of items? We will provide you with a specific list?

Answer: Yes. Reference question #2.

11. **Question:**

How does the firm prices section apply to the discount tab? Is it just the discount that is to remain firm?

Answer: Reference question #1. The discount percentage must remain firm, or at a greater advantage to the end users. It cannot be decreased to raise price. The current list, manufacturer or web price will understandably change, either increase or decrease, throughout the entire contract term. The Value Added cost listing is to remain firm for one year, with the option of refreshing the product offerings on an annual basis at renewal option.

12. **Question:**

Can we see a copy of the 2011 Hand Tools & Diagnostic Tools Pricing? Is it published anywhere?

Answer: The current contract pricing is listed here:

<https://www.ok.gov/dcs/solicit/app/solicitationDetail.php?conID=181>

13. **Question:**

Is there a specific electronic format that you prefer to receive the responses in (i.e. excel, word, pp)?

Answer: It is preferred that Attachment C and F remain in excel format.

14. **Question:**

Besides the Technical Response requirements in Section 4 Administrative and Technical Response Requirements and the separate Scope of Work responses needed, do you need respondent to acknowledge and respond to the other sections as well (even if it is responding as “read and understood”)? Going through the required format does not specify or is this part of the 2.24.3.1 section where we acknowledge all sections?

Answer: Yes, it would be beneficial. Section 2.24 references required format. Additionally, Attachment F is provided for responses.

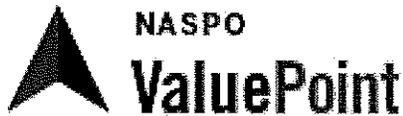
b. All other terms and conditions remain unchanged.

Supplier Company Name (**PRINT**)

Date

Authorized Representative Name (**PRINT**) Title

Authorized Representative Signature



**NASPO ValuePoint
INTENT TO PARTICIPATE
Cooperative Contract(s) for
Professional Grade Tools and Diagnostic Equipment**

I. PURPOSE:

The purpose of this Agreement is to provide interested NASPO states with the opportunity to participate in multi-state cooperative contract(s) for *Professional Grade Tools and Diagnostic Equipment*.

II. SCOPE OF THE CONTRACT(S)

The State of Oklahoma is authorized by agreement of the participants to act as the procurement officer in developing multi-state cooperative contract(s) for *Professional Grade Tools and Diagnostic Equipment*.

The resulting contracts will be permissive contracts.

Administrative Fee

There will be a 0.25% NASPO ValuePoint administrative fee associated with these contracts. It is anticipated that the individual states will be able to add an administrative fee when the state executes its Participating Addendum.

III. TERM OF THE CONTRACT

The initial term of the contract will be established for 1 year with options to renew up to a cumulative maximum of five (5) years from the date of award with options to extend the contract.

IV. SOLICITATION AND CONTRACT DEVELOPMENT/ADDITIONAL INFORMATION

The solicitation and contract development shall be accomplished in compliance with the NASPO ValuePoint Process Guide and the NASPO Memorandum of Agreement for the NASPO cooperative purchasing program, incorporated herein by reference.

Solicitation Publication Period

Bidders/Offerors will be given at least 40 days after publication to submit proposals.

Solicitation Type and Evaluation Criteria

This RFP will be issued and evaluated in concert with the procurement laws and rules of the State of Oklahoma by a sourcing team comprised of members from several states.

Award(s): The solicitation will permit multiple awards.

Additional Requested Information

State Specific Terms and Conditions: If the participating state wishes to include any State specific terms and conditions with the release of this RFP, please attach those with this Intent to Participate.

Annual Estimated Volume: If your State has an existing contract for this commodity or service, please indicate your annual volume of spend (including any potential political subdivision usage if available).

Annual State Spend \$141,531.00

Annual Political Subdivision Spend \$427,743.00

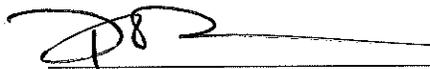
(NOTE: this is only for 2 quarters spend we didn't sign a PA till 2017.)

DIRECTOR SIGNATURE

State of Oregon

Debbie Dennis, Chief Procurement Officer

Printed name and Title



12/5/17

Signature and Date

(503) 373-2631 debbie.dennis@oregon.gov

Phone and email

State point of contact for this commodity/service

Shirley Smith, State Procurement Analyst

Printed name and Title

(503) 378-5395 shirley.smith@oregon.gov

Phone and email

Please scan and email the signed "Intent to Participate" document no later than **November 21, 2017** to:

Shannon Berry

Cooperative Development Coordinator

NASPO ValuePoint

sberry@naspovaluepoint.org

Sample Oregon Participating Addendum

NASPO ValuePoint
PARTICIPATING ADDENDUM
("ADDENDUM")



PROFESSIONAL GRADE TOOLS AND DIAGNOSTIC EQUIPMENT
Lead by the State of Oklahoma

Master Agreement #: _____

Contractor: _____ (Contractor)

Participating State: STATE OF OREGON, acting by and through the
Department of Administrative Services,
Procurement Services ("DAS PS")

Master Agreement Terms and Conditions:

1. **Scope:** This Addendum covers the acquisition of **Professional Grade Tools and Diagnostic Equipment** and is for use by state agencies and other entities located in the State of Oregon, as authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

The following Goods or services are included in this Addendum:

- *All Goods and accessories listed in the Master Agreement, as set forth on the Contractor page of the NASPO ValuePoint website.*

The following Goods or services are **not** included in this Addendum:

- *Installation services;*

This Addendum establishes an agreement to agree between Contractor and DAS PS pursuant to ORS 279B.140. The Goods and services offered under the Master Agreement that are available under this Addendum are described above. This Addendum contains additional terms and conditions specifically applicable to individual Contracts between Contractor and Authorized Purchasers. In the event of a conflict between the terms and conditions of this Addendum and the Master Agreement, the following order of precedence applies:

- (a) this Addendum, less its exhibits;
- (b) Exhibit No. 1 of the Addendum (State Specific Terms and Conditions);
- (c) Exhibit No. 2 of the Addendum (Insurance);
- (d) Exhibit No. 3 of the Addendum (Tax Certification);
- (e) any Purchase Order issued by an Authorized Purchaser pursuant to this Addendum; and
- (f) the Master Agreement, including its attachments.

2. Participation: This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities authorized to use statewide contracts in the State of Oregon (“Authorized Purchasers”). Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	
Address:	
Telephone:	
Fax:	
Email:	

Participating Entity

Name:	Shirley A. Smith
Address:	1225 Ferry St. SE Salem, Oregon 97301
Telephone:	503-378-5395
Fax:	503-373-1626
Email:	shirley.smith@oregon.gov

4. PARTICIPATING ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

These modifications or additions apply only to actions and relationships within the Participating Entity.

Participating Entity must check one of the boxes below.

No changes to the terms and conditions of the Master Agreement are required.

The following changes are modifying or supplementing the Master Agreement terms and conditions. Please see the attached Exhibit No. 1 for changes modifying or supplementing the Master Agreement terms and conditions.

This is not an exclusive agreement. There may be one or more contractor(s) providing the Goods and services. In the event DAS PS has made an award to one or more of the holders of Master Agreements, Authorized Purchasers must comply with the following selection process:

Authorized Purchaser - Contractor Selection

4.1 Contractor Selection Process, Large Purchases. For all purchases over \$10,000, Authorized Purchasers shall select the contractor using one of the following selection methods:

4.1.1 Brand Name Justification. A documented brand name justification in compliance with applicable statute and rule.

4.1.2 Best Value Analysis. From time to time, Authorized Purchasers may purchase Professional Grade Tools and Diagnostic Equipment, or both, from a Contractor. If an Authorized Purchaser expects the total purchase to exceed \$10,000, Authorized Purchaser shall obtain these Professional Grade Tools and Diagnostic Equipment, or both using the following procedure.

Authorized Purchaser shall:

(1) Contact at least 3 different Master Agreement contractors via phone, e-mail or facsimile and request a quote for the anticipated Professional Grade Tools and Diagnostic Equipment, or both ("Quote"). Quoted rates must not exceed the most competitive rates and discounts set forth in the Master Agreement. However, a Contractor may agree to extend specialized, discounted pricing based on the requirements by providing a specific quote to the Authorized Purchaser.

(2) Determine which Contractor provides the best value for Authorized Purchaser based on Authorized Purchaser's application of some or all of the following factors:

- Applicable discounts and incremental pricing options;
- Shipping costs;
- Delivery process and service levels;
- Applicable warranties;
- Contractor's past performance record through reference checks;
- Contractor's service area;
- Price comparison of the current market value of Good and services similar to the Products;
- Price comparison to past purchases and the goods similar to the products, taking the inflation rate into account;
- Cost analysis through an element-by-element examination of the estimated or actual cost of proposed goods to determine whether the supplier's costs are in line with what reasonably economical and efficient performance should cost. Some of the cost elements examined for necessity and reasonableness are materials' costs, labor costs, equipment and overhead;
- Comparison of pricing to MSRP;
- Market conditions and competition levels;
- General economic conditions;
- Life cycle costing including expected life, salvage value and discounted total cost of ownership.

(3) Document its procurement files describing the process, considerations, findings, and decisions used for determining the Contractor selected through the Best Value Analysis.

4.2 Contractor Selection Process, Small Purchases. For purchases under \$10,000, Authorized Purchaser may select the Contractor of its choice in compliance with applicable statute and rule.

5. Lease Agreements: “Reserved”.

6. Subcontractors: All contactors, dealers, and resellers authorized in the State of Oregon, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor’s dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices 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 such order.

8. Tax Compliance: Contractor has complied with the tax laws of this State and the applicable tax laws of any political subdivision of this State. Contractor shall, throughout the duration of this Addendum and any extensions, comply with all tax laws of this State and all applicable tax laws of any political subdivision of this State. For the purposes of this Section, “tax laws” includes: (i) All tax laws of this State, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of this State that applied to Contractor, to Contractor’s property, operations, receipts, or income, or to Contractor’s performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of this State that applied to Contractor, or to Goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Any violation of this Section 8 constitutes a material breach of this Addendum and any Contract issued under this Addendum. Further, any violation of Contractor’s warranty set forth in Exhibit No. 3 also shall constitute a material breach of this Addendum and any Contract issued under this Addendum. Any violation shall entitle DAS PS or Authorized Purchaser to terminate this Addendum or the applicable Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Addendum or the applicable Contract, and to pursue any or all of the remedies available under this Addendum, a Contract, at law, or in equity, including but not limited to:

- Termination of this Addendum or the applicable Contract, in whole or in part;
- Exercise of the right of setoff, and withholding of amounts otherwise due and owing to Contractor, in an amount equal to Authorized Purchaser’s setoff right, without penalty; and
- Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. DAS PS or Authorized Purchaser may recover any and all damages

suffered as the result of Contractor's breach of this Addendum or the applicable Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement Goods or Services or both.

These remedies are cumulative to the extent the remedies are not inconsistent, and DAS PS or Authorized Purchaser may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

This Addendum will be reported to the Oregon Department of Revenue. The Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including (i) garnishing the Contractor's compensation under this Addendum or any Contract or (ii) exercising a right of setoff against Contractor's compensation under this Addendum or any Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Department of Revenue collects debts.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: The State of Oregon, acting by and through the Department of Administrative Services, Procurement Services	Contractor:
Signature:	Signature:
Name: Shirley A. Smith	Name:
Title: State Procurement Analyst	Title:
Date:	Date:
Approved pursuant to ORS 291.047 By: _____ Assistant Attorney General Date: _____	

[Additional signatures may be added if required by the Participating Entity]

For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator:	Shannon Berry
Telephone:	775-720-3404
Email:	sberry@naspovaluepoint.org

[Please email fully executed PDF copy of this document to

PA@naspovaluepoint.org

to support documentation of participation and posting in appropriate data bases.]

EXHIBIT NO. 1

Changes to Master Agreement

State-Specific Constitutional, Statutory and Other Requirements

1. Definitions. The following terms have the meanings set forth below. Capitalized terms not defined in this Addendum have the meaning ascribed to them in the Master Agreement and its exhibits.

“Authorized Purchaser” means an agency of the State of Oregon or any ORCPP member that submits a Purchase Order to Contractor.

“Contract” means the agreement between Authorized Purchaser and Contractor formed by the Authorized Purchaser’s issuance of a Purchase Order that incorporates by reference the terms and conditions of the Master Agreement and this Addendum.

“DAS PS” means the State of Oregon acting by and through the Department of Administrative Services, Procurement Services.

“ORCPP” means the Oregon Cooperative Purchasing Program, which recognizes certain agencies and organizations within the State of Oregon as authorized to purchase the goods and services available under a price agreement or master agreement entered into by the State.

“Master Agreement” means the State of Oklahoma Master Agreement #____ between Contractor and the State of Oklahoma, on behalf of the member states of the NASPO ValuePoint Cooperative Purchasing Program, and its attachments, which together with this Addendum sets forth terms, conditions and requirements for purchase by Authorized Purchasers of the goods and services described therein.

“Purchase Order” means the purchase order document submitted to Contractor by an Authorized Purchaser that incorporates this Addendum by reference and specifies the quantity and type of goods or services that Contractor will provide to the Authorized Purchaser under the terms of the Master Agreement and this Addendum.

“State”, for the purposes of this Participating Addendum, means the State of Oregon.

2. Purchase Orders.

2.1 Purchase Orders. Authorized Purchasers may use their own forms for Purchase Orders. State agencies may also use the general State-approved Purchase Order referencing the Master Agreement Number. To the extent that the terms of any form differ from the terms of this Addendum, the terms of this Addendum supersede such contrary terms. Each

Purchase Order from an Authorized Purchaser that is not a State agency must contain, on the front page, the following language:

THIS PURCHASE IS PLACED AGAINST THE STATE OF OKLAHOMA MASTER AGREEMENT NO. ___ THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT AND THE ASSOCIATED PARTICIPATING ADDENDUM ENTERED INTO BY THE STATE OF OREGON, CONTRACT NO. ___ APPLY TO THIS PURCHASE AND SUPERSEDE ALL CONFLICTING TERMS AND CONDITIONS, EXPRESS OR IMPLIED.

2.2 Effect of Purchase Orders. The State is only liable for purchases made by State of Oregon agencies that issue Purchase Orders. Other Authorized Purchasers are responsible for any purchases under Purchase Orders they issue. The State expressly disclaims any liability for purchases made by non-State agency Authorized Purchasers or any other entity.

2.3 Verification of Authorized Purchasers. Contractor is responsible for verifying that it provides goods and services under this Addendum only to Authorized Purchasers. Contractor may verify that a particular entity is an ORCPP member on-line at <http://www.oregon.gov/das/Procurement/Pages/Orcppmember.aspx> or by using the Oregon Procurement Information Network (ORPIN) at <http://orpin.oregon.gov/open.dll/welcome>.

3. Payment Provisions. All payments are subject to ORS 293.462.

4. Funds available and authorized/non-appropriation. The State of Oregon's and its agencies' payment obligations under this Addendum are conditioned upon Authorized Purchaser's receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Authorized Purchaser, in the exercise of its reasonable administrative discretion, to meet its payment obligations under any Contract issued under this Addendum. Contractor is not entitled to receive payment under this Addendum or any Contract from any part of Oregon state government other than Authorized Purchaser. Nothing in this Addendum or Contract is to be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law regulating liabilities or monetary obligations of the State of Oregon. Authorized Purchaser represents that it has sufficient appropriations and limitation for the current biennium to make payments under any Contract issued under this Addendum.

5. Volume Sales Reports (VSRs) / Vendor Collected Administrative Fee (VCAF)

5.1 Volume Sales Reports (VSRs):

5.1.1 Contractor shall submit a Volume Sales Report (VSR) no later than thirty (30) calendar days from the end of each calendar quarter, which contains:

Complete and accurate details of all receipts (sales and refunds) for the reported period;

The information as identified in the DAS PS document titled Volume Sales Report Template - Data Requirement, Format and Layout; and Such other information as DAS PS may reasonably request.

Contractor shall send a VSR to DAS PS each quarter, whether or not there are sales. When no sales have been recorded for the quarter a report must be submitted stating "No Sales for the Quarter."

5.1.2 Data Medium and Delivery Medium: Contractor shall provide VSRs in MS Excel (.xls) format. VSRs must be submitted by e-mail. Delivered print outs of VSRs are not acceptable. Hard copies of VSRs on CDs are only acceptable if the size of the file precludes transmission by email. Approval from the Contract Administrator must be obtained for deviations from these requirements.

5.1.3 Receipt/Acceptance: The first VSR submitted by the Contractor must be submitted to the DAS PS Contract Administrator for review and approval. Approved first VSRs and subsequent VSRs must be submitted to VCAF.REPORTING@oregon.gov. A separate section follows describing the administrative charge if it is applicable. The Contract Administrator's receipt or acceptance of any of the VSRs furnished pursuant to this Addendum shall not preclude DAS PS from challenging the validity thereof at any time.

5.1.4 DAS PS reserves the right to terminate this Addendum if volume sales reports are not received as scheduled on in the prescribed format.

5.2 Vendor Collected Administrative Fee (VCAF):

5.2.1 Vendor Collected Administrative Fee (VCAF) PERCENTAGE:

The Vendor Collected Administrative Fee (VCAF), is a charge equal to One Percent (1.0 %) of Contractor's Gross total sales, less any credits, made to Authorized Purchasers during the calendar quarter.

5.2.2 VCAF Amount / Payment Due Date: During the term of this Addendum and for the sales during the last calendar quarter of the term of this Addendum, the Contractor shall remit VCAF payment to DAS PS within forty-five (45) calendar days after the end of each calendar quarter.

5.2.3 Contractors may not reflect the VCAF fee as a separate line item charge to Authorized Purchasers. Contractor's proposed prices shall reflect all Contractor's charges to Authorized Purchasers. For the purposes of this Addendum, quarters end March 31, June 30, September 30, and December 31. DAS PS will invoice the Contractor for the VCAF on a State generated invoice from the information submitted on the VSR. Contractor is responsible for timely reporting and payment, regardless of entity that actually reports or makes VCAF payment to DAS PS.

5.2.3.1 Payment Format: The fee shall be in the form of a check remitted to:

State of Oregon
Department of Administrative Services
Attn: Shared Financial Services/PS
155 Cottage Street NE
Salem, Oregon 97301

Any other form of payment must be specifically approved by the Contract Administrator.

5.2.3.2 Interest: Any payments Contractor makes or causes to be made to DAS PS after the due date as indicated on the invoice shall accrue interest at a rate of 18% per annum or the maximum rate permitted by law, whichever is less, until such overdue amount shall have been paid in full. DAS PS' right to interest on late payments shall not preclude DAS PS from exercising any of its other rights or remedies pursuant to this Addendum or otherwise with regards to Contractor's failure to make timely remittances.

5.3 Audit: DAS PS, as its own expense (except as provided herein), shall have the right during regular business hours, at Contractor's premises, and upon reasonable notice, by itself or by a person authorized by it, to audit Contractor's Records, as defined herein, and other pertinent data, to determine and verify the figures reported in any VSRs furnished by Contractor. In the event that any such audit reveals underpayment of administrative fees, Contractor shall immediately pay the amount of deficiency, together with interest thereon at the rate provided in Section 5.2.3.2. At DAS PS' request, Contractor shall pay the reasonable cost of an audit, but only if such audit reveals that an underpayment may exist as determined by DAS PS.

5.4 Limitation of Liability: Contractor acknowledges and agrees that the State shall bear no liability on Contracts entered into for purchases by non-State Agencies, which liability the State expressly disclaims. With regard to non-State Agencies, Contractor agrees to look solely to the respective contracting party for any rights and remedies Contractor may have at law or in equity arising out of the sale and purchase of Contractor's Goods or Services and the resulting contractual relationship, if any, with each such contracting party.

6. Warranties. Authorized Purchasers are entitled to the warranties, rights, remedies, and benefits under the Master Agreement and this Addendum for any purchases made by such Authorized Purchasers pursuant to Purchase Orders. Without limiting the generality of the warranty provisions of the Master Agreement, Contractor represents and warrants to Authorized Purchaser that:

6.1 Contractor has the power and authority to enter into and perform this Addendum and that this Addendum, when executed and delivered, will be a valid and binding obligation of Contractor enforceable in accordance with its terms;

6.2 Goods will be new, unused, current production models, where applicable, and will be free from defects in materials, design and manufacture for manufacturer's standard warranty period. Where specifications have been made a part of the RFP, Contractor further warrants

that all Goods conform to the specifications and meet or exceed all quality and safety standards set in the RFP;

6.3 all Services to be performed under this Addendum will be performed in accordance with the highest applicable professional or industry standards, and that only workmanship of the first quality shall be employed in the performance of this Addendum;

6.4 Contractor shall transfer to Authorized Purchaser all manufacturer warranties covering Goods or Products, if any at time of delivery at no charge, and

6.5 all Goods or Products, if any, are free and clear of any liens or encumbrances, and that Contractor has full legal title to such Goods or Products, and that no other person has any right, title or interest in the Goods or Products which is superior to or infringe upon the rights granted to Authorized Purchaser hereunder.

The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided in the Master Agreement. All warranties provided in this Addendum are cumulative and will be interpreted expansively so as to afford Authorized Purchaser the broadest warranty protection available.

7. Indemnities.

7.1 General Indemnity. Contractor will defend, save, hold harmless and indemnify the Authorized Purchaser and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors or agents under the Addendum.

7.2 Infringement Indemnity. Contractor will, at Contractor's sole expense, defend, save, hold harmless and indemnify Authorized Purchasers and the State of Oregon and their agencies, subdivisions, officers, employees and agents from and against any and all costs, damages, attorneys' fees, and any and all costs incurred in any settlement negotiation or final settlement agreement resulting from, relating to, or arising out of a claim that any aspect of the goods or services furnished under a Purchase Order infringes a patent, utility model, industrial design, copyright, mask work, trademark, trade dress, or any other legally cognizable intellectual property right of any third party (an "Infringement Claim").

7.3 Participation. Control of Defense and Settlement. Contractor's obligation to indemnify Authorized Purchaser as set forth in Sections 7.1 and 7.2 is conditioned on Authorized Purchaser providing to Contractor prompt notification of any claim or potential claim of which Authorized Purchaser becomes aware that may be the subject of those Sections. Contractor shall have control of the defense and settlement of any claim that is subject to Section 7.1 or Section 7.2; however, neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any Authorized Purchaser of the State of Oregon, nor purport to act as legal representative of the State of

Oregon or any of its agencies, without the approval of the Attorney General, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending the State of Oregon's interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense.

7.4 Remedies. If any goods or services furnished by Contractor are, in Contractor's opinion, likely to become the subject of an Infringement Claim, or if an Authorized Purchaser is prevented from exercising its rights under this Addendum based on any Infringement Claim or court order arising from any Infringement Claim, then Contractor may, at its option and expense, procure for the Authorized Purchaser the right to continue using the allegedly infringing goods or services, or replace or modify the goods or services so that they become non-infringing; provided that the replacement or modified good or service meets the specifications set forth in the applicable Purchase Order to the satisfaction of the Authorized Purchaser. If the foregoing remedies are not available, then Authorized Purchaser will return the allegedly infringing goods or terminate the allegedly infringing services, and Contractor will refund Authorized Purchaser's payments, in full, for the allegedly infringing goods or services.

8. Term and Termination of Participating Addendum.

8.1 Term. This Addendum remains in effect until the earlier of (a) the expiration or termination of the Master Agreement, or (b) termination of this Addendum in accordance with its terms.

8.2 Termination. DAS PS may terminate this Addendum, in whole or in part, at any time upon thirty (30) days prior notice to Contractor. In addition, DAS PS may terminate this Addendum, in whole or in part, immediately upon notice to Contractor, or at such later date as DAS PS may establish in such notice, for any reason, or upon the occurrence of any of the following events:

8.2.1 State fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Addendum; or

8.2.2 Federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under this Addendum is prohibited or the State is prohibited from paying for such goods from the planned funding source.

Upon receipt of written notice of termination, Contractor will stop performance under all Purchase Orders as directed by State.

8.3 Termination under any provision of this Addendum does not extinguish or prejudice State's or an Authorized Purchaser's right to enforce this Addendum or a Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of the State or an Authorized Purchaser to indemnification by Contractor. If this Addendum or a Purchase Order is so terminated, the State or an Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by the Authorized Purchaser.

9. Termination of Individual Purchase Orders.

9.1 Individual Purchase Orders may be terminated at any time by written consent of Authorized Purchaser and Contractor or Authorized Purchaser may, at its sole discretion, terminate individual Purchase Orders, in whole or in part, upon 30 days written notice to Contractor.

9.2 Authorized Purchaser may terminate individual Purchase Orders, in whole or in part, immediately upon notice to Contractor, or at such later date as Authorized Purchaser may establish in such notice, upon the occurrence of any of the following events:

9.2.1 Authorized Purchaser fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to pay for the goods to be purchased under the Purchase Order;

9.2.2 Federal or State laws, regulations or guidelines are modified or interpreted in such a way that either the purchase of goods under the Purchase Order is prohibited or Authorized Purchaser is prohibited from paying for such goods from the planned funding source; or

9.2.3 Contractor commits any material breach of this Addendum or a Purchase Order

9.3 Upon receipt of written notice of termination, Contractor will stop performance under the Purchase Order as directed by Authorized Purchaser.

9.4 Termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the Purchase Order with respect to Contractor's breach of any warranty or any defect in or default of Contractor's performance that has not been cured, including any right of Authorized Purchaser to indemnification by Contractor. In addition, termination of a Purchase Order does not extinguish or prejudice Authorized Purchaser's right to enforce the warranty, indemnification, governing law, venue and consent to jurisdiction provisions of this Addendum. If a Purchase Order is so terminated, Authorized Purchaser will pay Contractor in accordance with the terms of this Addendum for goods delivered and accepted by Authorized Purchaser.

10. Compliance with Applicable Law. Contractor will comply with all federal, state and local laws, rules, regulations, executive orders and ordinances applicable to the Work under

this Contract, and an Authorized Purchaser's performance under a Purchase Order is conditioned on Contractor's compliance with the provisions of ORS 279B.220, 279B.235, 279B.230, and 279B.270. In addition, Contractor warrants good and services provided under this Addendum will comply with all federal Occupational Safety and Health Administration (OSHA) requirements and with all Oregon safety and health requirements, including those of the State Workers' Compensation Division. Contractor also agrees to comply with (a) Title VI of the Civil Rights Act of 1964, (b) Section v of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990 and ORS 659.425, (d) all regulations and administrative rules established pursuant to the foregoing laws and (e) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

11. Application of Public Records Law. Contractor acknowledges that any disclosures Contractor makes to Authorized Purchaser under this Addendum are subject to application of the Oregon Public Records Law, including but not limited to ORS 192.410 – 192.505, the provisions for the Custody and Maintenance of Public Records, ORS 192.005 – 192.710, and of ORS 646.461 - 646.475. The non-disclosure of documents or of any portion of a document submitted by Contractor to Authorized Purchaser may depend upon official or judicial determinations made pursuant to the foregoing laws. Contractor will be notified prior to Authorized Purchaser's release of documents to Entities other than participating agencies or other State agencies. Contractor shall be exclusively responsible for defending Contractor's position concerning the confidentiality of the requested documents, at its own expense,

12. Recycled Products. Contractor will use, to the maximum extent economically feasible in the performance of this Contract, recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in ORS 279A.010(1)(hh)), and other recycled plastic resin products and recycled products (as "recycled product" is defined in ORS 279A.010(1)(ii)).

13. Notices. Except as otherwise provided in a Purchase Order, any formal communications between the parties to or notices to be given under a Purchase Order will be given in writing by personal delivery of a facsimile transmission or the notice or mailing the notice, postage prepaid, at the address or number set forth on the Purchase Order. Any communication so addressed and mailed will be deemed to have been received five (5) calendar days after mailing. Any communication delivered by facsimile will be deemed to be given when a confirming report for the transmission is generated by the transmitting machine. To be effective against the receiving party, such facsimile transmission must be confirmed by telephone notice to the receiving party's authorized representative, as set forth in the Purchase Order. Any communication or notice by personal delivery will be deemed to be given when actually received by the appropriate authorized representative.

As between Contractor and State with respect to this Addendum, the Primary Contacts of Contractor and State are set forth above.

14. Governing Law. This Addendum and resulting Contracts are governed by and construed in accordance with the laws of the State of Oregon, without regard to principles of conflicts of laws.

15. Jurisdiction and Venue. Any claim, action, suit or proceeding (collectively, "Claim") between State or any other agency or department of the State of Oregon, and Contractor, that arises from or relates to this Addendum or a Purchase Order under this Addendum, will be brought and conducted solely and exclusively in the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively in the United States District Court of the District of Oregon. CONTRACTOR, BY EXECUTION OF THIS ADDENDUM OR ACCEPTANCE OF A PURCHASE ORDER SUBMITTED PURSUANT TO THIS ADDENDUM HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS. Nothing in this section will be construed as a waiver of the State of Oregon's sovereign immunity with respect to any Claim, whether brought under State or Federal law, or in State or Federal Court.

Any Claims between Contractor and an Authorized Purchaser other than the State of Oregon or State agency that arise from or are related to individual Purchase Orders or this Addendum will be brought and conducted solely and exclusively within the Circuit Court of the county in the State of Oregon in which such Authorized Purchaser resides or has its principal office, or at Authorized Purchaser's option, within such other county as Authorized Purchaser will be entitled to proceed under the venue laws of Oregon to bring or defend Claims. If any such Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon.

16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon as of the effective date of this Addendum, Contractor will promptly provide to the Oregon Department of Revenue all information required by that Department relative to the Contract. An Authorized Purchaser may withhold final payment under a Purchase Order until Contractor has provided the Oregon Department of Revenue with the required information.

17. Merger Clause; Waiver. This Addendum, including the Master Agreement and the exhibits attached to this Addendum, constitutes the entire agreement between the parties on the subject matter hereof, and supersede all prior agreements, oral or written. There are no understandings, agreements, or representations, oral or written, between these parties that are not specified in this Addendum. No waiver, consent, modification or change of terms of this Addendum binds either party unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made is effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Addendum does not constitute a waiver by the State of that or any other provision.

18. Independent Contractor. Contractor shall act at all times as an independent contractor and not as an agent or employee of Authorized Purchaser. Contractor has no right or authority to incur or create any obligation for or legally bind Authorized Purchaser in any way. Contractor is not an "officer", "employee", or "agent" of Authorized Purchaser (or any other agency, office, or department of the State of Oregon), as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary. Neither party shall make any statements, representations, or commitments of any kind or to take any action binding on the other except as provided for herein or authorized in writing by the party to be bound.

19. Access to Records. Contractor will maintain all fiscal records relating to Purchase Orders in accordance with generally accepted accounting principles and will maintain any other records relating to Purchase Orders in such a manner as to clearly document Contractor's performance thereunder. The Authorized Purchaser, the State and its agencies, the Oregon Secretary of State Audits Division and their duly authorized representatives will have access to such fiscal records and to all other books, documents, papers, plans and writings of Contractor which relate to this Addendum to perform examination and audits and make excerpts and transcripts. To the extent provided by law, the federal government will be entitled to the same access as the State of Oregon and Authorized Purchasers. Contractor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of six years, or such longer period as may be required by applicable law following final payment and termination of this Addendum, or until the conclusion of any audit, controversy or litigation arising out of or related to this Addendum, whichever date is later.

20. Severability. If any term or provision of this Addendum is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if the Addendum did not contain the particular term or provision held to be invalid.

21. Survival. Any terms of this Addendum, which by their nature are intended to survive termination or expiration including but not limited to warranty, indemnification, access to records, governing law, venue, consent to jurisdiction, termination and remedies provisions survive the termination or expiration of this Addendum.

22. Insurance. Within ten (10) days of the Effective Date, Contractor must provide insurance as set forth on Exhibit No. 2. No Purchase Orders may be placed or accepted until proof is provided that these requirements have been met.

23. Anticipated Amendments. The parties may need to amend this Addendum to modify selected terms, conditions, and price(s). This Addendum may be modified by written document only.

Exhibit No. 2 - INSURANCE

RESERVED - No additional insurance requirements at this time.

Exhibit No. 3

CONTRACTOR TAX CERTIFICATION

The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Contractor's correct taxpayer identification;

Federal Tax Number _____

Oregon Tax Number _____

2. Contractor is not subject to backup withholding because:

(i) Contractor is exempt from backup withholding,

(ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or

(iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding.

3. S/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes,

4. For a period of no fewer than six calendar years preceding the Effective Date of this Addendum and any Contract, Contractor faithfully has complied with:

(i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;

(ii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor;

(iii) Any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and

(iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor: _____

Signature _____ Date _____