

PARTICIPATING ADDENDUM
NASPO ValuePoint COOPERATIVE PURCHASING ORGANIZATION
Computer Equipment
Administered by the State of Minnesota
(hereinafter "Lead State")
MASTER AGREEMENT
MASTER AGREEMENT No: MNWNC-119
Microsoft
(hereinafter "Contractor")
and
State of Arkansas
Contract No: 4600035741

1. Scope:

This addendum allows for purchase of the following Computer Equipment/Services: Laptops and Tablets, including related Peripherals & Services (Bands 2 & 3) from contract MNWNC-119 led by the State of Minnesota. It is for use by Arkansas state agencies and other entities located in the State that are authorized by the Arkansas Office of State Procurement to utilize state contracts.

The original solicitation contains the requirements and definitions establishing the Product Bands allowed on the Master Agreement. The Master Agreement identifies the bands awarded to the Contractor. The configuration limits and restrictions for the Master Agreement are provided with revisions identified by Arkansas in this Participating Addendum.

2. Participation:

All eligible purchasers within the State of Arkansas, including State agencies, K-12 educational institutions, and local public procurement units (cities, counties, municipalities), are authorized to purchase products and services under the terms and conditions of this agreement.

3. Order of Precedence:

- A. Arkansas's Participating Addendum (PA); Arkansas's Participating Addendum **shall not** diminish, change, or impact the rights of the Lead State with regard to the Lead State's contractual relationship with the Contractor under the Terms of Minnesota NASPO ValuePoint Master Agreement.
- B. Minnesota NASPO ValuePoint Master Agreement (includes negotiated Terms & Conditions)
- C. The Solicitation including all Addendums; and
- D. 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. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and **must** be in writing and attached to the Master Agreement as an Exhibit or Attachment. No other terms and conditions **shall** apply, including terms and conditions listed in the Contractor's response to the Solicitation, or terms listed or references on the Contractor's website, in the Contractor's quotation/sales order or in similar documents subsequently provided by the Contractor. The solicitation language prevails unless a mutually agreed exception has been negotiated.

4. Participating State Modifications or Additions to Master Agreement:

These modifications or additions **shall** apply only to actions and relationships within Arkansas.

- A. Software published by Adobe, Computer Associates, Corel, IBM, McAfee, Microsoft, Oracle, Symantec, and Trend Micro other than pre-loaded software products or operating software **shall not** be procured.
- B. Contractor **must** submit quarterly reports to the Arkansas Office of State Procurement via email to OSP.ITContracts@dfa.arkansas.gov. Reports **shall** be due on or before the last day of the month following the end of the quarter. The contractor **shall** provide an electronic usage report in Excel format which lists, but is not limited to, the following:
 - 1) Vendor Contract Number
 - 2) State
 - 3) Customer Type (State, Education, Local Government)
 - 4) Bill to Name
 - 5) Customer PO Number
 - 6) Customer Number

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- 7) Order Date
- 8) Product/Service Description
- 9) Retail Price
- 10) Discount Applied
- 11) Discount Unit Price
- 12) Quantity
- 13) Total Price

- C. An administrative fee of one half (1/2) of one (1) percent of the net sales per quarter **shall** be collected on behalf of the State of Arkansas and **shall** be submitted within 45 days following calendar quarter end, in accordance with the following schedule.

Period End	Admin Fee Due
June 30	August 14
September 30	November 14
December 31	February 14
March 31	May 15

The administrative fee **shall** be submitted to the following address:

Office of State Procurement
Attn: Contract Administration Fee
1509 W 7th St, Room 300
Little Rock, AR 72201

- D. Payments **shall** be submitted to the contractor at the address shown on the invoice. Payments should be tendered to the contractor within thirty (30) days of the date of invoice. After the sixtieth (60) day from the date of invoice, unless mutually agreed to, interest **shall** be paid on the unpaid balance due to the contractor at the rate of one half (1/2) of one (1) percent per month in accordance with Arkansas Code Annotated §19-11-224. The procuring agency **shall** make a good-faith effort to pay within thirty (30) days after the date of invoice.
- E. Financial and accounting records relevant to State of Arkansas transactions **shall** be subject to examination by appropriate Arkansas government authorities for a period of five (5) years from the expiration date and final payment on the contract or extension thereof, provided, however, that such government authorities **shall** provide thirty (30) days written notice to the contractor of its intent to conduct such examination contemplated by this section.
- F. The laws of the State of Arkansas **shall** govern this agreement. Nothing under this agreement or the Master Agreement **shall** be deemed or construed as a waiver of the State's right of sovereign immunity.
- G. Expenses for travel **shall not** be reimbursed unless specifically permitted under the duties of the contractor. All travel **must** be approved in advance by the State. Expenditures made by the contractor for travel will be reimbursed at the current rate paid by the State.
- H. In the event the State of Arkansas no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in law, rules, regulations, lack of funds appropriated for this purpose, or relocation of offices, the State may cancel the contract or purchase order by giving the contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.
- I. The following indemnification clause replaces in its entirety the Indemnification clause specified in the Master Agreement MNWNC-119. To the extent permitted by applicable law, the contractor **shall** defend the other party along with their officers, agencies, and employees as well as any person or entity for which they may be liable from and against third-party claims, damages or causes of action including reasonable attorney's fees and related costs for any death, injury, or damage to tangible personal property arising from gross negligence or willful misconduct of the party at fault, its employees, subcontractors, or volunteers, at any tier, relating to the performance of its obligations under the Master Agreement.

For the State to qualify for such defense, the State shall promptly notify Contractor of any third-party claim of which the State becomes aware which may give rise to a right of defense pursuant to this Section. Notice of any third-party claim that is a legal proceeding, by suit or otherwise, must be provided to Contractor within thirty (30) days of the State's first

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learning of such proceeding. If the State's laws require approval of a third party to defend the State, then the State shall seek such approval and if approval is not received, Contractor is not required to defend the State. If a third-party claim is settled, to the extent permitted by law, the State shall not publicize the settlement and will cooperate with Contractor so that Contractor can make every effort to ensure the settlement agreement contains a non-disclosure provision.

- J. **CONFIDENTIAL INFORMATION** shall only be considered confidential by Arkansas State law (Reference the Arkansas Freedom of Information Act, Ark Code Ann. § 25-19-105).
- K. The Contractor may use subcontractors; however, the Contractor **shall** be responsible for any agreements with the subcontractors. The State of Arkansas **shall not** agree to and **shall not** be responsible for any terms and conditions with a subcontractor.

The following subcontractors **shall** be authorized to provide product delivery and services:

Subcontractor	Name	Email	Phone
Microsoft Retail Store	Todd Minor	toddmin@microsoft.com	(425) 421-0494 X10494
CDW	Mark Roeser	markroe@cdw.com	(877) 689-4665
NWN Corporation	Andy Babb	ABabb@nwnit.com	(864) 679-4871
Paragon Development Systems, Inc.	Dana Berner	dberner@pdsit.net	(262)-569-5366
Pomeroy	Monika Sugimoto	Monika.Sugimoto@pomeroy.com	(859) 586-0600 x1812
PCM, Inc.	Sandeep Kapoor	Sandeep.Kapoor@pcmq.com	(310) 225-4047
SHI International Corp	Nick Grappone	nick_grappone@shi.com	(732) 564-8189
United Data Technologies, Inc.	Mariana Lugaro	mariana.lugaro@udtonline.com	(954) 290-8745
Softchoice	Craig Glover	craig.glover@softchoice.com	(312) 655-9161
Zones	Wilson Garcia	Wilson.garcia@zones.com	(253) 205-3885

- L. Leasing **shall not** be authorized under this Participating Addendum.
- M. The following configuration limits are based on a single computer configuration:

Item	Configuration
Server/Storage	\$ 500,000
Desktops/Laptops	\$ 100,000
Tablets	\$ 50,000
Peripherals	\$ 50,000
Services	\$ 10,000

The contractor **shall not** propose or provide value-added services unless it meets one (1) or more of the following criteria:

- It is of no cost to the purchasing entity
- Services are linked to items the entity has purchased through a current or past transaction.

5. Purchase Order Instructions:

All purchase orders issued by Purchasing Entities within the jurisdiction of this participating addendum **shall** include the following:

- A. NASPO ValuePoint Contract number **MNWNC-119**
- B. State contract number **SP-16-0019 4600035741**
- C. Agency Name, Address, Contact, and Phone-Number
- D. IT procurement and/or other applicable approvals
- E. Orders shall be made out to the Contractor or Reseller

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6. Performance Standards

All purchasing entities subject to State laws regarding Performance Standards in the procurement of services **must** have the cooperation of the vendor in establishing this provision as part of their purchasing agreement.

7. Individual Customer

Each State agency and political subdivision, as a Participating Entity, that purchases products/services **shall** be treated as if they were Individual Customers. Except to the extent modified by a Participating Addendum, each agency and political subdivision **shall** be responsible to follow the terms and conditions of the Master Agreement; and they **shall** have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each agency and political subdivision **shall** be responsible for their own charges, fees, and liabilities. Each agency and political subdivision **shall** have the same rights to any defense or to recover any costs allowed in the contract for their purchases. The Contractor **shall** apply the charges to each Participating Entity individually.

8. Primary Contacts:

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

Lead State	Name	Sue Kahle
	Address	50 Sherburne Ave, Room 112
	City, State Zip	St Paul, MN 55155
	Telephone	651-201-2434
	E-mail	Susan.kahle@state.mn.su

NASPO ValuePoint	Name	Tim Hay
	Address	201 East Main St, Suite 1405
	City, State Zip	Lexington, KY 40607
	Telephone	503-428-5705
	E-mail	thay@wsca-naspo.org

Contractor	Name	Maria Stinson
	Address	One Microsoft Way
	City, State Zip	Redmond, WA 98052
	Telephone	425-538-2867
	E-mail	marstin@microsoft.com

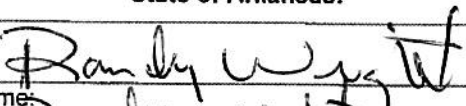
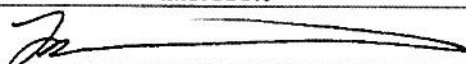
State of Arkansas	Name	Jaime Motley
	Address	1509 W 7th St 3rd Floor
	City, State Zip	Little Rock, AR 72201
	Telephone	501-371-6065
	E-mail	Jaime.Motley@dfa.arkansas.gov

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The contacts listed above can be changed by the parties from time to time in writing. Such updates do not require an amendment to this Addendum.

This Participating Addendum and the Master Agreement number MNWNC-119 (administered by the State of Minnesota) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Agreement, together with its exhibits, **shall not** be added to or incorporated into this Addendum or the Master Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions **shall** be hereby rejected. The terms and conditions of this Addendum and the Master Agreement and its exhibits **shall** prevail and govern in the case of any such inconsistent or additional terms within the Participating State.

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

State of Arkansas:	Contractor: Microsoft
By: 	By: 
Name: <u>Randy Wright</u>	Name: Margaret Arakawa
Title: <u>Asst. Admin.</u>	Title: GM US M&O
Date: <u>12/11/15</u>	Date: <u>12/8/15</u>