

AMENDMENT TO PARTICIPATING ADDENDUM  
UNDER THE  
NASPO VALUEPOINT  
COPIERS, PRINTERS AND RELATED DEVICES  
SOLICITATION #: 3091


PARTICIPANT: STATE OF ALABAMA

This Amendment is entered into by and between the State of Alabama ("Participant"), and Sharp Electronics Corporation ("Contractor") (Participant and Contractor are, at times, referred to individually as a "Party" or together as the "Parties").

1. The Participating Addendum term shall be extended to March 31, 2020 or until such time a new PA is fully executed against RFP-NP-18-001 whichever comes first.
2. Incorporated Documents: Original Contract 3091 and State of Alabama PA T190-PA3091-AL04 by reference as part of this amended contract.

IN WITNESS WHEREOF, the Parties have duly executed this Amendment as of the Amendment Effective Date.

SHARP ELECTRONICS CORPORATION

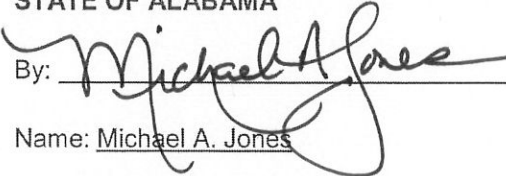
By: 

Name: Mike Marusic

Title: President & CEO of SIICA

Date: 12/13/19

STATE OF ALABAMA

By: 

Name: Michael A. Jones

Title: Purchasing Director

Date: 12/17/19

**PARTICIPATING ADDENDUM to  
NASPO ValuePoint COOPERATIVE PURCHASING ORGANIZATION  
COPIERS, PRINTERS & RELATED DEVICES 14-19  
MASTER AGREEMENT (Nevada RFP 3091)  
Adminstrated by the State of Nevada (hereinafter "Lead State")**

Between

Sharp Electronics Corporation  
(hereinafter "Contractor")

And

[State of Alabama, T190-PA3091-AL04]  
(hereinafter "Participating State/Entity")

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**1. Scope:** This addendum covers the Copiers, Printers & Related Devices 14-19 lead by the State of Nevada for use by state agencies and other entities located in the Participating State/Entity authorized by that state's statutes to utilize state/entity contracts with the prior approval of the state's chief procurement official. The State's chief procurement official has authorized local governmental entities within the State to enter into this Participating Addendum.

Contractor has been awarded devices and services in the following categories:

Group A – Convenience Copiers  
Group B – Production Copiers

**2. Participation:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state/entity contracts are subject to the prior approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

**3. Participating State Modifications or Additions to Master Agreement:**

(These modifications or additions apply only to actions and relationships within the Participating Entity.) **See Attachment A and B**

**4. Leases: – Contract users will not sign lease agreements. Purchase orders will include the State's PA number.**

(a) **Lease Terms:** Capital Leases, Fair Market Value Leases and Operational Leases will be subject to the terms and conditions of the those set forth in Master Agreement or any other document referenced in Section 1 of the Master Agreement. . A Purchasing Entity may lease Products pursuant to the Lease Terms and this Participating Addendum by issuance of a Purchase Order or Order (each, a "Lease Order"). If there is a conflict between the Lease Terms and this Participating Addendum, the Master Agreement or any other document referenced in Section 1 of the Master Agreement, the Lease Terms shall control. The Lease Terms and any lease Purchase Order or Order shall survive the termination of this Participating Addendum and the Master Agreement. Upon the Purchasing Entity's execution of a delivery and acceptance certificate, the Acceptance Testing period shall end and the Purchasing Entity shall not reject or revoked acceptance of the Product.

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(b) **See Attachment A for purchase options.**

*Note: If the Purchasing Entity elects to retain the hard drive of any Product upon return of the Products to Contractor, Purchasing Entity shall pay Contractor a hard drive replacement fee of \$350 per unit of Product*

(c) **Termination Charges.** The limitation on termination charges as specified in Section 5.4.2.3 of RFP 3091 is the balance of lease payments for leases and, for service and maintenance obligations, the lesser of four (4) months service and supply base charges or 25% of the service/supply payment for the remaining term.

(d) **NON-APPROPRIATION OF FUNDS.** Customer intends to remit to Lessor all Lease Payments and other payments for the full Term specified in the applicable Lease Order if funds are legally available. In the event Customer is not granted an appropriation of funds at any time during the Term for the Product or for product which is functionally similar to the Product and operating funds are not otherwise available to Customer to pay Lease Payments and other payments due and to become due under the Lease, and there is no other legal procedure or available funds by or with which payment can be made to Lessor, and the non-appropriation did not result from an act or omission by Customer, Customer shall have the right to return the Product in accordance with these Lease Terms and terminate the Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to Customer, except as to the portion of the Lease Payments for which funds shall have been appropriated and budgeted. At least thirty (30) days prior to the end of Customer's fiscal period, Customer's chief executive officer (or legal counsel) shall certify in writing that: (a) funds have not been appropriated for the fiscal period; (b) such non-appropriation did not result from any act or failure to act by Customer; and (c) Customer has exhausted all funds legally available to pay Lease Payments. If Customer terminates the Lease because of a non-appropriation of funds, Customer may not purchase, lease or rent, during the subsequent fiscal period, product performing the same functions as, or functions taking the place of, those performed by the Product; provided, however, that

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these restrictions shall not be applicable if or to the extent that the application of these restrictions would affect the validity of the Lease. This Section shall not permit Customer to terminate the Lease in order to acquire any other product or to allocate funds directly or indirectly to perform essentially the application for which the Product is intended.

**5. Primary Contacts:** The primary contact individuals for this participating addendum are as follows (or their named successors):

**Contractor**

Name	Sharp Electronics, Craig Pulver, Government Account Executive
Address	One Sharp Plaza Suite 1, Mahwah, NJ 07495
Telephone	201-529-8200 602-300-0962
Fax	201-529-9454
E-mail	pulverc@sharpsec.com

**Local Contract**

Name	Sharp Electronics, Christine Bush, Government Account Executive
Address	
Telephone	C: 804.519.3703
Fax	
E-mail	bushc@sharpsec.com

**Participating Entity**

Name	Jennifer Loretz, Buyer
Address	100 N. Union Street, Ste 192, Montgomery, AL 36130
Telephone	334-242-7250
Fax	334-242-4419
E-mail	Jennifer.loretz@purchasing.alabama.gov

**6. Subcontractors:**

All Sharp Electronics Corporation dealers and resellers authorized in the State of Alabama, as shown on the dedicated Sharp Electronics Corporation (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master

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Agreement. The Sharp Electronics Corporation dealer's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement. - **Per the terms set forth in Attachment A and B of this Participating Addendum**

**7. Purchase Order Instructions:**

All orders should contain the following (1) Mandatory Language "PO is subject to NASPO ValuePoint Contract # 3091 (2) Your Name, Address, Contact, & Phone-Number (3) Purchase order amount. Please channel your PO through one of our authorized resellers so they can arrange for proper ordering and installation of your unit. - **Per the terms set forth in Attachment A and B of this Participating Addendum**

**8. Price Agreement Number:**

All purchase orders issued by purchasing entities within the jurisdiction of this participating addendum shall include the Participating State contract number: T190-PA3091-AL04 and the Lead State RFP number: 3091.

**9. Individual Customer:**

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

This Participating Addendum and the Master Agreement resulting from RFP number 3091 (administered by the State of Nevada) 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

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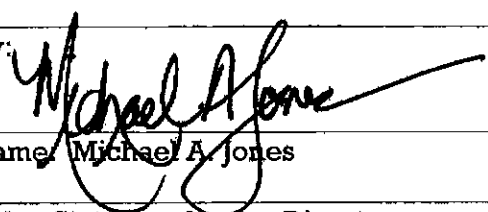
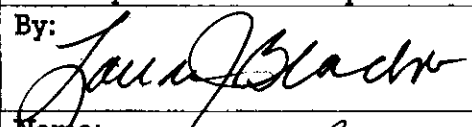
And

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conditions are hereby rejected unless accepted in writing by both Purchasing Entity and Contractor. 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 both parties below.

Participating State: ALABAMA	Contractor: Sharp Electronics Corporation
By: 	By: 
Name: Michael A. Jones	Name: LAURA BLACKMER
Title: State Purchasing Director	Title: SR-VP SALES
Date: 10/20/17	Date: 10/23/2017

[Additional signatures as required by Participating State]

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If Customer have questions about this Participating Addendum or the participation process, please contact:

**NASPO ValuePoint COOPERATIVE PURCHASING ORGANIZATION**

Name	Shannon Berry, Cooperative Development Coordinator
Telephone	775-720-3404
E-mail	<a href="mailto:sberry@naspovaluepoint.org">sberry@naspovaluepoint.org</a>

**[Fully executed PDF copy of this document should be emailed to  
[PA@naspovaluepoint.org](mailto:PA@naspovaluepoint.org) to support documentation of participation  
and posting in appropriate data bases]**

**ATTACHMENT A**  
**PARTICIPATING ADDENDUM**

**For: The State of Alabama**  
**Under the NASPO ValuePoint Master Agreement**  
**Copiers, Printers and Related Devices, (Nevada RFP 3091)**

**Administrative Fee:**

Contract vendors are required to pay the State an administrative fee for all sales made under this contract. This fee will be ONE percent (1.0%) of the total dollar amount of sales. The contract vendor is required to submit electronic documentation of all sales made during a reporting month. The fee and reporting must be submitted each month before the 20<sup>th</sup> and will represent a single, one-time payment for all sales made in the prior month and as adjusted for errors associated with earlier months. This fee is not to be listed as a separate cost on invoices. Failure to submit reports and fees on a timely basis shall constitute grounds for suspension of this agreement. This information must be submitted as outlined below:

**Utilization Reports – Monthly**

A report is due even when there is no sales activity. The reports shall be sent electronically to: [telecom.admin@isd.alabama.gov](mailto:telecom.admin@isd.alabama.gov).

The report shall include the following data:

1. Contract Number (State Master Agreement number)
2. Reporting Month and Year
3. Agency or local government entity
4. Product(s) purchased
5. Sales grand totals for reporting month
6. The Administrative Fee Dollar amount for reporting month

**Fee Submission – Monthly**

The remittance is to be identified by the contract number and reporting month. A copy of utilization report should also be submitted with the fee payment. Remittance is to be made payable to the “State of Alabama, Department of Finance” and sent to the following address:

Alabama Department of Finance  
Division of Accounting and Administration  
P. O. Box 300658  
Montgomery, AL 36130-0658



## **SPECIAL TERMS AND CONDITIONS**

### **Purpose:**

The State of Alabama desires to adjoin for Copiers in Group A and Group B only as awarded per the NASPO ValuePoint Master Agreement 3091. The agreement will commence on or after October 1, 2017.

### **Mandatory Source:**

All State agencies must use this contract, as established through the Division of Purchasing. State agencies that have their own procurement authority have the option to utilize this contract. This contract may also be available to local governments.

### **Choice of Law, Venue:**

This contract will be governed by the laws of the State of Alabama and the sole venue for litigation and alternative dispute resolution activities will be the City of Montgomery in the State of Alabama.

### **Not to Constitute a Debt to the State:**

The terms and commitments contained in this master agreement shall not constitute a debt to the State of Alabama, in the incurring of which is prohibited by Section 213 of the Office Recompilation of the Constitution of Alabama, 1901, as amended by Amendment No. 26.

### **Contract Length:**

Section 41-16-27, Code of Alabama 1975 states that contracts for the purchase of personal property or contractual services other than personal services shall be let by competitive bid for periods not greater than five years. This agreement shall not exceed the original terms of the contract/agreement nor shall it exceed five (5) years whichever comes first.

### **Vendor Subscription:**

Contract vendors must maintain a Vendor Self Service (VSS) profile and be actively subscribed and remain active with State Purchasing for the life of the contract. Subscriptions may be completed by following the "Pay Subscription Fee" link at <https://procurement.staars.alabama.gov> or follow the Vendor Self Service link at [www.purchasing.alabama.gov](http://www.purchasing.alabama.gov).

### **Alabama Immigration Law:**

Contract vendor must comply with the requirements of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Act 2011-535) and as amended by Act 2012-491. See page 4 of Attachment A.

### **Disclosure Statement:**

Section 41-16-82, Code of Alabama 1975 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000. In circumstances where a contract is awarded by

competitive bid, the disclosure statement shall be required only from the person receiving the contract and shall be submitted within ten (10) days of the award.

**Late Payments:**

Penalty for agencies paying invoices late may not exceed the rate charged by State of Alabama Comptroller's Office.

**Non-appropriation of funds:**

Continuation of any agreement between the State and a bidder beyond a fiscal year is contingent upon continued legislative appropriation of funds for the purpose of this bid and any resulting agreement. Non-availability of funds at any time shall cause any agreement to become void and unenforceable and no liquidated damages shall accrue to the state as a result. The State will not incur liability beyond the payment of accrued agreement payment.

**Proration:**

Any provision of a contract resulting from this bid to the contrary notwithstanding, in the event of failure of the State to make payment hereunder as a result of partial unavailability, at the time such payment is due, of such sufficient revenues of the State to make such payment (proration of appropriated funds for the State having been declared by the governor pursuant to Section 41-4-90 of the Code of Alabama 1975), the contractor shall have the option, in addition to the other remedies of the contract, of renegotiating the contract (extending or changing payment terms or amounts) or terminating the contract.

**Purchase Orders and Invoices:**

All contract users will issue orders directly to the awarded manufacturer only. Manufacturers will invoice directly. Contract users will not pay local dealers.

According to the Code of Alabama, Section 40-12-222, the four percent (4%) lease tax levied shall not apply to leasing or rental of tangible personal property to the State, Municipality or County in the State unless the flat amount collected by the lessor includes both the leasing fee and the tax.

**Local Authorized Dealers:**

Manufacturers will use local authorized dealers to install and maintain. All dealers should be located within Alabama. The State may allow out of state dealers **IF** there are no instate dealers located within a 60-mile radius of a contract user.

**Attachment B**  
**State of Alabama**  
**SERVICE LEVEL AGREEMENT (SLA)**

The purpose of this model Service Level Agreement (SLA) is to provide the Participating Entities and Awarded Vendors with an example of a guarantee of service levels with penalties for failure to perform. This model SLA utilizes a scorecard method for the Customer level SLA and flat rate penalties for the Participating Entity. Awarded Vendors are to negotiate their own SLA with each Participating Entity at time of initiating the Participating Addendum. All parties are cautioned to utilize measurements that are reportable and measurable. This SLA does not implicate or involve lease related invoicing; it involves equipment performance and maintenance issues.

**1. Customer Level SLA**

**1.1 Purpose**

The purpose of this addendum is to define service levels; penalties for the performance of the service levels; as well as provide the Customer with a defined replacement process for equipment performing below expectations.

**1.2 Customer Service Level Agreement**

Vendor agrees to maintain the following service levels defined below as targets:

<b>Performance Criteria</b>	<b>Target Level</b>
Average Uptime	98% or Better
Average On-Site Response Time	4 Hours or Less
First Time Fix	80% of all service calls or better

These service levels will be measured on a quarterly basis between Vendor and the State.

**1.3 Calculation of Service Level Points**

Once per quarter, Vendor will produce reporting to be measured against the Service Level Agreement and points will be assigned according to the following chart. These points will be added to produce a total Service Level score. This score will be used to determine the subsequent penalty according to the following schedule where the penalty can be up to 4% of the previous quarter's service and supplies billing (expressed as a negative %).

	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>Average Uptime</b>	98% or Higher	97.9% - 96%	95.9% - 94%	94.9% - 94%	93.9% or lower
<b>Possible Points</b>	4	3	2	2	0
	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>Average On-Site Response Time (in Hours)</b>	4 or Less	4.1 - 5	5.1 - 6	6.1 - 7	7.1 or more
<b>Possible Points</b>	4	3	2	2	0
	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>First Time Fix</b>	80% or Higher	79.9% - 70%	69.9% - 60%	59.9% - 50%	Less than 50%
<b>Possible Points</b>	4	3	2	2	0

#### 1.4 Penalty Level

	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>Total Score</b>	12 - 10	9 - 7	6 - 4	3 - 1	0
<b>Penalty/Award as a percentage of quarterly service and supplies billings</b>	0%	-2.5%	-3.0%	-3.5%	-4.0%

The penalty shall be awarded to the Customer as a credit on the following period's service and supplies invoice.

#### 1.5 Equipment Performance

Vendor guarantees each machine specified within any maintenance agreement will perform to either a) the monthly copies between service calls as measured by machine on a quarterly basis by group and segment listed below and/or b) the monthly uptime as measured by machine on a quarterly basis by segment listed below.

<b>Group</b>	<b>Devices</b>	<b>Segments</b>	<b>Quarterly Uptime</b>
A	Copiers Black & White	All	95%
B	Copiers Color	All	95%

If any unit fails to maintain this level of performance between calls and or the monthly uptime, excluding service calls caused by operator error that system will be subject to replacement at the Customers discretion on a like-for-like basis with then current technology. Prior to installing a substitute product, supplier will be allowed 90 days to remedy any quality or reliability issues. A designated factory authorized technician must certify each unit's ability to produce acceptable impressions with acceptable copies between calls or uptime. The guarantee will remain in effect for the term of the contract or up to five (5) years from the date of purchase/lease, provided the equipment has not been subjected to abuse or neglect and has been continuously covered by a Maintenance Contract. This replacement policy will remain in effect for the term of the contract and is subject to the Customer remaining current with supplier's payment requirements.

## **1.6 Additional Vendor Guarantees**

**1.6.1 Training** – On-going training as requested by the Customer to be performed within two (2) weeks of requested date for on-site training and two (2) hours for phone/technical support. A penalty of \$50 per incident that does not meet the turnaround time specified above to be credited on the next service bill.

**1.6.2 Loaner Unit/Backup Production** – If any unit is inoperable for a period in excess of 72 hours, Vendor shall provide the Customer with either:

- i) A loaner unit of similar speed and capabilities until such time as the unit(s) covered by this agreement are operable, or
- ii) Provide the Customer with off-site manned production capabilities to accomplish the work of the unit that is inoperable at the sole cost of the Vendor. Such costs shall be limited to cost of production (service and supplies), equipment, labor, power, transportation of jobs to and from the off-site production facility and facilities.

**1.6.3 Invoicing** – Contractor shall maintain timely, accurate invoicing, less service run impressions, as defined below. The assigned copy machine operators, back-up personnel, and office personnel shall respond in a timely manner to the Contractor's e-mails, facsimiles, and phone calls in providing the readings. Receiving meters from Customer is a necessary step in the process of generating a complete and accurate invoice. Invoices that are generated without receiving the proper meter read information, due to the Customer's failure to provide such meter by the last day of the month, are not considered inaccurate. Failure on the Contractor's part to maintain the Service levels as defined in the table below shall result in a \$50.00 per instance credit on the following invoice provided Customer has given written notice to Contractor of any such alleged invoicing problem and Contractor has been allowed a 30 day cure period after such notice to address any such issue.

<b>Measurable</b>	<b>Service Level</b>
Timely Invoicing	Invoices will be submitted no later than the 25 <sup>th</sup> of the month immediately following the close of a billing period.
Accurate Invoicing	Invoices do not require any credits for miss-billing
Service Impressions	Vendor will credit all service run impressions within the same billing cycle

## **2. Reporting and Billing**

- 2.1 **Timely Reporting** – See Attachment A for Administrative Fee reporting guidelines. Failure to submit timely will result in a penalty of \$5.00 per work day beyond the set guidelines.
- 2.2 **Timely Payment of Administrative Fees** – See Attachment A for Administrative Fee payment guidelines. Failure to submit timely will result in a penalty of \$5.00 per work day beyond the set guidelines.
- 2.3 **Accuracy of Reporting** – The State may request at any point proof of the reporting accuracy through the data set supporting the reporting. If the State has reason to believe that multiple and systemic reporting errors exist, that cannot be corrected to the State's satisfaction; the State may require an audit by a third party. If errors are found, the Successful vendor must reimburse the State for the cost of the auditor as well as correcting any administrative fee errors.
- 2.4 **Accuracy of Billing** – The State may request at any point proof of the billing accuracy through the data set supporting the billing. If the State has reason to believe that multiple and systemic billing errors exist, that cannot be corrected to the State's satisfaction; the State may require an audit by a third party. If errors are found, the Successful vendor must reimburse the State for the cost of the auditor as well as correcting any billing errors.
- 2.5 **Penalties** – All penalties under this, section two (2) of the Service Level Agreement, shall be payable to the State.

## **State of Alabama – Additional Terms**

### **Warranty**

All warranty terms set forth in the original RFP, including amendments, and subsequent award(s) are hereby incorporated into this SLA and Participating Addendum. This includes a minimum 90-warranty on all equipment leased or purchased from this agreement.

### **Purchasing Options**

Option 1 - Contract users may lease equipment and any necessary accessories for a term of 36-month fixed. There will be no buy-out option at the end of the 36 months. The Contractor will pick up the equipment. The contract user will procure new equipment from the manufacturer of their choice.

Option 2 – Contract users may purchase equipment and any necessary accessories outright.

All equipment procured from this agreement must be new or newly manufactured as outlined in the original RFP.

### **Maintenance**

The Contractor shall provide maintenance options for leased and purchased equipment to include but not limited to cost per copy with no built in usage, . At the contract user's request, Contractor shall provide assistance in determining the "best value" maintenance plan. Maintenance shall cover everything except paper and staples.

Maintenance Service shall be available during normal business hours, 8:00 AM to 5:00 PM, Monday through Friday, except State and/or Federal holidays.

All technicians must be factory trained by the manufacturer. The State reserves the right to request documentation or verification of said training.

If a contract user purchases equipment but does not opt for a maintenance contract, all expendable parts must be guaranteed for the manufacturer's stated life, i.e. drums – 50,000 copies, etc. If the part is guaranteed for a specific life and it fails to meet that level, the part must be replaced. There will be a pro-rated sharing of the cost of parts and labor, i.e. if the part is guaranteed for 50,000 copies but fails at only 25,000 copies, the contract user would be entitled to a 50% credit on the parts and labor to bring the equipment back to industry standard operations.

### **Insurance/Risk of Loss**

For leased equipment, the contract user shall be relieved from risks of loss or damage to all equipment during transportation, installation and during the entire time the equipment is in their possession except when the loss or damage is due to the fault or negligence of that user. The leased equipment should be insured by the Contractor at full replacement value against risk of loss or damage.



