

**PARTICIPATING ADDENDUM  
NASPO ValuePoint**

**Computer Equipment and Related Peripherals and Services Administered by the State of  
Minnesota (hereinafter "Lead State")**

Master Agreement No: MNWNC-23015 (hereinafter "Master Agreement" or "Contract") Microsoft Corporation (hereinafter "Contractor" or "Contract Vendor") And Georgia Department of Administrative Services (hereinafter "DOAS" or "Participating Entity")

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**1. SCOPE**

The State of Minnesota, Department of Administration, Materials Management Division publicly posted a Request for Proposal on behalf of the State of Minnesota and NASPO ValuePoint Cooperative Purchasing Program ("NASPO ValuePoint") for Computer Equipment (Desktops, Laptops, Tablets, Servers, Storage and Ruggedized Devices including related Peripherals & Services) resulting in a Master Agreement Award. Evaluation was conducted by a multi-state sourcing team resulting in the Minnesota NASPO ValuePoint Master Agreements with qualified manufacturers for Computer Equipment and Related Peripherals and Services.

The solicitation contains the requirements and definitions establishing the following included three product Bands: Band 1, Personal Computing Devices – Windows Operating Systems: Desktops, Laptops, Tablets; and Band 2, Personal Computing Devices – Non-Windows Operating Systems: Desktops, Laptops, Tablets; and Band 3, Servers and Storage. The Contractor is awarded the following Band(s):

Band 1, Personal Computer Devices – Windows Operating Systems

**2. RESTRICTIONS**

The following restrictions apply to the Master Agreement. A Participating Entity may set further restrictions of products in their Participating Addendum. The Participating Entity will determine with the Contractor how to approve these modifications to the Entity's Product and Service Schedule.

**a. Software**

- i. Software is restricted to operating systems and commercial off-the-shelf (COTS) software and is subject to equipment configuration limits.
- ii. Any software purchased must be related to the procurement of equipment.
- iii. Software must be pre-loaded or provided as an electronic link with the initial purchase of equipment, except for the exceptions allowed under Paragraph 5.a.4.
- iv. Software such as middleware which is not always installed on the equipment, but is related to storage and server equipment (Band 3) purchased, is allowed and may be procured after the initial purchase of equipment.

**b. General Services**

- i. Services must be related to the procurement of equipment.
- ii. Service limits will be addressed by each State.
- iii. Wireless phone and internet service is not allowed.

- iv. Managed Print Services are not allowed.
- c. Cloud Services
  - i. Cloud Services are restricted to Services that function as operating systems and software needed to support or configure hardware purchased under the scope of the contract and is subject to equipment configuration limits.
  - ii. Any Cloud Service purchased must be related to the procurement of equipment.
- d. Third-Party Products
  - i. Third-Party Products can be offered only in the Bands they have been awarded. All third-party products must meet the definition(s) of the Band(s) in which they are being offered.
  - ii. Products manufactured by another Contractor holding a Minnesota NASPO ValuePoint Master Agreement for Computer Equipment cannot be offered unless approved by the Lead State.
- e. Additional Product/Services
  - i. Hardware and software required to solely support wide area network (WAN) operation and management are not allowed.
  - ii. Lease/Rentals of equipment may be allowed and will be addressed by each State.
  - iii. Cellular Phone Equipment is not allowed.
  - iv. EPEAT Bronze requirement may be waived, on a State case-by-case basis, if approved by the State's Chief Procurement Officer. EPEAT Bronze requirement does not currently apply to storage.

This Participating Addendum establishes Contractor as a non-exclusive, non-mandatory source of supply.

### **3. PARTICIPATION**

All entities authorized to make purchases pursuant to this Participating Addendum shall be referred to collectively as "Authorized Users" in this Participating Addendum and as "Purchasing Entity" in the NASPO ValuePoint Master Agreement. This NASPO ValuePoint Master Agreement may be used by all state and local governmental entities, and public institutions of higher education authorized to use contracts executed by the Georgia Department of Administrative Services in the State of Georgia. Pursuant to O.C.G.A. 50-5-57, DOAS hereby certifies the Contractor as a source of supply to Authorized Users for the goods and services available to Authorized Users pursuant to the Master Agreement and this Participating Addendum. Orders shall be placed individually and from time to time by Authorized Users. The execution of this Addendum only establishes the Contractor as an authorized source of supply by DOAS and creates no financial obligation on the part of DOAS. Authorized Users are solely and individually financially responsible for their respective purchases. The Participating Addendum does not guarantee any minimum level of purchases. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

With respect to any "Educational Discount Price", offered by Contractor pursuant to this Participating Addendum, the parties agree that the following Authorized Users shall be eligible to receive any Educational Discount Price: Board of Regents of the University System of Georgia and all of its colleges and universities, the Technical College System

of Georgia and all of its technical schools, the State Board of Education, the Georgia Department of Education, the Georgia Academy for the Blind, the Georgia School for the Deaf, the Atlanta Area School for the Deaf, public K-12 schools, public boards of education, "local school systems" and "local units of administration" as those terms are defined by O.C.G.A. Section 20-2- 242, and any other Authorized User identified by the parties as an educational entity.

The laws of the State of Georgia shall govern this Participating Addendum. Nothing under this Participating Addendum or the Master Agreement shall be deemed or construed as a waiver of the State's right of sovereign immunity. The Participating Entity and Authorized Users are agreeing to the terms of the Master Agreement and Participating Addendum only to the extent the terms are not in conflict with Georgia law.

Authorized Users, as a political subdivision of the State of Georgia, may not sign their own Participating Addendum, unless approved by the Chief Procurement Officer of the state where the Authorized Users is located.

#### **4. ORDER OF PRECEDENCE**

- a. This Participating Entity's Participating Addendum ("PA"). The PA 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. This PA includes the following documents:
  - i. The State of Georgia's Data Security Terms & Conditions, Exhibit A.
- b. NASPO ValuePoint Master Agreement Terms & Conditions, including the applicable Exhibits to the Master Agreement;
- c. The Solicitation;
- d. Contractor's response to the Solicitation, as revised and accepted by the Lead State.

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 the 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 referenced on the Contractor's website, in the Contractor quotation/sales order or in similar documents subsequently provided by the Contractor. The solicitation language prevails over Contractor's response to the solicitation unless an explicitly mutually agreed upon in writing exception has been negotiated. Any contract terms and conditions included on Contractor's forms or invoices shall be null and void. Any documents containing terms and conditions that are in conflict with the terms and conditions of, or that contain terms and conditions beyond the scope of, this Participating Addendum and the Master Agreement are not binding on the parties.

Where an Authorized Users is required to click-through or otherwise accept or made subject to any electronic terms and conditions to use or access any Product or Service purchased hereunder, such terms and conditions are not binding and shall have no force

or effect as to the Product or Service, this Agreement, or the applicable order for the Product or Service, as provided under O.C.G.A § 50-5-64.1(a)(1)(B). Further, any terms and conditions of a Party's invoice, acknowledgment, confirmation, or similar documents, shall not apply to any order under this Agreement, or to this Agreement, and any such terms and conditions on any such document are objected to without need of further notice or objection.

**5. PRIMARY CONTACTS**

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

Contractor

Name:	Dan Roberts, Partner Development Manager
Address:	One Microsoft Way, Redmond WA, 98052-7329
Telephone:	216.544.9988
Fax:	(425) 936-7329 Attn: LS/ 25361
Email:	Daniel.Roberts@microsoft.com

Participating Entity

Name:	Jiszelle Gibson
Address:	200 Piedmont Avenue, SE, Suite 1806, West Tower Atlanta, GA 30334
Telephone:	404-657-7585
Email:	<a href="mailto:Jiszelle.gibson@doas.ga.gov">Jiszelle.gibson@doas.ga.gov</a>

**6. PARTICIPATING ENTITY/ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT**

The following changes modify or supplement the Master Agreement terms and conditions.

a. Paragraph 23. of Exhibit A to the Master Agreement, entitled "Payment", is modified as follows: by striking the second sentence regarding overdue account charges.

b. Paragraph 2. b. is modified as follows: by adding Any documents containing terms and conditions that are in conflict with the terms and conditions of, or that contain terms and conditions beyond the scope of, this Participating Addendum and the Master Agreement are not binding on the parties.

**7. Authority to Enter into Contract.**

The Contractor represents and warrants that it has full authority to enter into the Participating Addendum.

**8. Use of State Vehicles.**

Contractor agrees that no State vehicles will be used by Contractor for the performance of services under the Master Agreement and this Participating Addendum. Contractor shall be responsible for providing transportation necessary to perform all services.

**9. TERM**

This Participating Addendum, State Contract Number: 99999-SPD-T20250630-0002,\_ is

effective as of the date of the last signature below through June 30, 2025 and coterminous with the Master Agreement term unless otherwise cancelled or terminated in accordance with the provisions of this Participating Addendum or the Master Agreement. Lead State amendments to extend the term date are automatically incorporated into this Participating Addendum unless terminated early in accordance with the terms and conditions of the Master Agreement or this Participating Addendum.

**10. CONFIGURATION DOLLAR LIMITS**

As referenced in the Master Agreement, Participating Procurement Officials may increase or decrease the configuration limits, as defined in their Participating Addendum. The State of Georgia elects not to impose a configuration dollar limit in this Participating Addendum.

**11. NON-EXCLUSIVE CONTRACT**

The contract shall be non-exclusive and shall not in any way preclude the State of Georgia from entering into similar contracts and/or arrangements with other vendors or from acquiring similar, equal or like goods and/or services from other entities or sources.

**12. CHANGES IN CONTRACTOR REPRESENTATION**

DOAS requires the assignment of a primary account representative. The Contractor shall identify by name and location the primary account representative for each awarded category/band who will be responsible for the performance of the contract. The Contractor must also provide a next in line account representative, that will serve as a back-up for the State. The State requires the Contractor to notify DOAS of any changes in key account representatives, in writing promptly following the change.

**13. AMENDMENTS**

Any further Amendments to the Master Agreement after the Effective Date of this Participating Addendum, that have been approved by the Lead State, will not be applicable to this Participating Addendum and will not be valid unless made in writing as an amendment to this Participating Addendum, signed by the parties and approved as required by the laws of the State of Georgia. No oral understanding or agreement not incorporated in this Participating Addendum is binding on any of the parties.

No amendment or variation of the terms of this Participating Addendum shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Participating Addendum is binding on any of the parties.

**14. SUBCONTRACTORS, PARTNERS, RESELLERS**

The Contractor shall identify its strategic business partners related to services provided under this contract, including but not limited to, all Subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement.

Contractor must ensure that any Subcontractor, fulfillment partner, dealer, or reseller who makes sales under this Participating Addendum complies with the terms of the Master Agreement and this Participating Addendum.

**15. RESELLER APPROVAL**

Contractors wishing to add a Reseller must follow the State approval process. Reseller Partners must be approved in advance by the State as a condition of eligibility under this Contract. The State reserves the right to rescind any such participation. The State also

reserves the right to request the Contractor to name additional Resellers, in the best interest of the State, at the State's sole discretion.

The Contractor must complete and submit the following forms as part of the State Reseller approval process:

- a. Sales and Use Tax Form - Populated with Reseller information
- b. Debarment Letter - Contractor statement indicating Reseller is not debarred (Federal or State level)
- c. E-Verify Form
- d. DOAS Reseller Request/Approval Spreadsheet - Contractor to complete DOAS approval spreadsheet with Reseller contact information and PO instructions. Contractor shall specify whether orders must be placed directly with Contractor, or if orders may be placed directly with the designated Reseller. Contractor must provide the State, in advance, all necessary ordering information, billing address and Federal Identification Number.

Approved Resellers must be eligible to quote lower than or equal Contract pricing under this Participating Addendum. Contractors are encouraged to identify multiple approved Resellers to participate in competitive transactions.

Contractor shall be responsible for Reseller performance and compliance with all Contract terms and conditions. Products purchased through Reseller must be reported by the Contractor in the required Quarterly Sales Reports to the State.

Prompt notice to DOAS is required by the Contractor, in the event, a change in Reseller's status occurs during the Contract term.

## **16. STATE OF GEORGIA PAYMENT METHODS**

All purchases made by Authorized Users shall be exempt from sales tax. It is the responsibility of the Authorized User representative to provide the Authorized User's tax identification number as needed at the point of sale.

The State of Georgia provides for the use of multiple payment methods including Purchasing Card (PCard) and Automated Clearing House (ACH) transfers. DOAS will determine the most advantageous method(s) of Contractor payment. Contractors need to be prepared to accommodate any and all forms of payments.

The State of Georgia PCard may be used by authorized government employees of certain governmental entities electing to participate in the program to purchase necessary supplies. Contractor agrees to accept payment via PCard and shall impose no fee on either DOAS or any Authorized User for the use of the State of Georgia PCard.

The Contractor shall keep P-Card information confidential and shall not disclose the State of Georgia numbers except as expressly authorized by DOAS. The Contractor represents that State of Georgia payments will be processed, transmitted and stored in compliance with the Payment Card Industry Data Security Standard. The Contractor shall provide immediate written notice to the current DOAS Contract Administrator in the event of (1) any unauthorized disclosure of State of Georgia P-Card Information or (2) Contractor's failure to maintain compliance with the Payment Card Industry Data Security Standard in the Contractor's contract performance. The Contractor agrees to cooperate with DOAS, Authorized Users, and DOAS contractual partner(s) for P-Card in

resolving any issues or disputes.

DOAS has entered into a contract with its PCard provider, Bank of America, to provide the ePayables solution which will allow DOAS and certain Authorized Users to facilitate electronic payment by DOAS and Authorized Users to the Contractor. DOAS may elect in the future to utilize the ePayables solution.

The Contractor shall keep ePayables information confidential and shall not disclose the State of Georgia numbers except as expressly authorized by DOAS. The Contractor represents that State of Georgia payments will be processed, transmitted and stored in compliance with the Payment Card Industry Data Security Standard. The Contractor shall provide immediate written notice to the current DOAS Contract Administrator in the event of (1) any unauthorized disclosure of State of Georgia ePayables Information or (2) Contractor's failure to maintain compliance with the Payment Card Industry Data Security Standard in the Contractor's contract performance. The Contractor agrees to cooperate with DOAS, Authorized Users, and DOAS contractual partner(s) for ePayables in resolving any issues or disputes.

**17. ADMINISTRATIVE FEE AND SALES REPORTING SUBMISSION**

Pursuant to O.C.G.A. Section 50-5-51(10), DOAS has the authority to collect monies, rebates, or commissions payable to the State that are generated by supply contracts established pursuant to O.C.G.A. Section 50-5-57. These administrative fees are used by DOAS to fund various initiatives, including the administration of existing and new contracts, training, and technology. DOAS requires each Contractor to pay to DOAS an administrative fee on all sales pursuant to the resulting contract. The administrative fee amount for this contract is 1.25 percent (%). CONTRACTOR MUST INCLUDE THE IDENTIFIED PERCENT ADMINISTRATIVE FEE (HEREINAFTER, "THE FEE") IN THE PRICING.

All Contractors must agree that the Fee will not be identified separately from the product and/or service pricing offered to Authorized Users wherever that pricing may appear (website, catalog, invoices, etc.). This Fee will be collected by the Contractor and remitted to DOAS in accordance with the following paragraphs.

- a. Quarterly Payment and Sales Reporting Requirements. The Quarterly Sales Report must be received by DOAS twenty (20) days after the end of the Fiscal Quarter through submission within the Contractor Portal of Team Georgia Marketplace, and the Fees must be received as a response to an invoice generated by DOAS between the time of receipt of the invoice and forty-five (45) days after the end of the fiscal quarter as defined by the table below:

<i>DOAS' Fiscal Quarters</i>	<i>Months</i>	<i>Contractor's Quarterly Sales Report Due Date</i>	<i>Contractor's Payment Due Date (In Response to DOAS generated Invoice)</i>
<i>Quarter 1</i>	<i>July 1st – September 30th</i>	<i>October 20th</i>	<i>November 15th</i>
<i>Quarter 2</i>	<i>October 1st – December 31st</i>	<i>January 20th</i>	<i>February 15th</i>
<i>Quarter 3</i>	<i>January 1st – March 31st</i>	<i>April 20th</i>	<i>May 15th</i>

<i>Quarter 4</i>	<i>April 1st – June 30th</i>	<i>July 20th</i>	<i>August 15th</i>
			<b>30 DAYS FOLLOWING TERMINATION OF SWC</b>

At the end of each state fiscal quarter as defined above, Contractor shall prepare the Quarterly Sales Report and submit the file through the Contractor Portal of Team Georgia Marketplace, including the Contractor's most up-to-date Invoice Contact Name (Billing Contact), Contractor Billing Address, and Contractor Billing E-Mail. In the event that no sales have occurred, the Contractor must complete and submit the Quarterly Sales Report, indicating that no sales have occurred, and submit the file through Contractor Portal of Team Georgia Marketplace. On the date identified above as the "Contractor's Payment Due Date" for each fiscal quarter, the Contractor shall remit a payment of fees to DOAS in response to a DOAS generated invoice, through Electronic Funds Transfer (EFT). By submission of these reports and corresponding Contractor payments, Contractor is certifying their correctness.

b. **Auditing and Contract Close Out.** All sales reports and Fee payments shall be subject to audit by the State. Contractor shall maintain books, records and documents which sufficiently and properly document and calculate all charges billed to the State and all Fees throughout the term of the Participating Addendum for a period of at least five (5) years following the date of final payment or completion of any required audit, whichever is later. Upon receiving written notice from the State, Contractor shall permit the Auditor of the State of Georgia or any authorized representative of the State, and where federal funds are involved, the Comptroller General of the United States, or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to the Participating Addendum, during normal business hours. Contractor shall not impose a charge for audit or examination of the Contractor's books and records. If an audit discloses material incorrect billings or improprieties, the State reserves the right to charge the Contractor for the cost of the audit and appropriate reimbursement. Evidence of criminal conduct will be turned over to the proper authorities. In no event shall Contractor retain any amount of money in excess of the compensation to which Contractor is entitled and any Fees owed DOAS shall be paid within thirty (30) calendar days of termination of the Participating Addendum for any reason.

c. **Modifying or Canceling the Fee.** DOAS reserves the right to modify and/or cancel the Fee at any time. Contractor shall immediately amend pricing to reflect any modification or cancellation of the Fee by DOAS. In addition, DOAS reserves the right to revise collection and reporting requirements in conjunction with implementation of an on-line procurement system.

d. **Late Payment Fee.** In the event DOAS does not receive the Contractor's

payment of the Fees on or before the Contractor's Payment Due Date, the parties agree the Contractor must pay DOAS interest on the overdue Fees at a rate of eighteen percent (18%) per annum. Interest will be calculated as follows:

$$\begin{aligned} &(\text{Administrative Fee Amount Due}) \times (18\%) = X \\ &X / 365 \text{ (366 for leap years)} = Y \\ &Y \times (\text{Number of Days Payment is Late}) = \text{Interest Owed} \end{aligned}$$

For the purposes of this provision, payment of the Fees shall be considered received by DOAS on (1) the date of DOAS' receipt of the EFT confirmation or (2) the date DOAS receives the envelope containing a check for the correct amount of the administrative fee. In the event the Contractor does not submit full payment of the Fees owed, interest shall only be applicable to the portion of the Fees which is outstanding. In the event the Contractor makes an error and overpays, the Contractor is responsible for alerting DOAS in writing of the Contractor's discovery of the overpayment. DOAS will confirm whether an overpayment has occurred and refund or credit the overpayment amount to the Contractor no later than thirty (30) days' following DOAS' receipt of written notice of the overpayment. DOAS will have no responsibility for interest or any other fees with respect to Contractor's overpayment of Fees.

- e. **Default.** THE CONTRACTOR'S RESPONSIBILITY TO COLLECT AND REMIT THE ADMINISTRATIVE FEE ON BEHALF OF DOAS IS A SERIOUS RESPONSIBILITY AS THE CONTRACTOR IS HANDLING STATE FUNDS. Accordingly, failure to comply with these contractual requirements shall constitute grounds for declaring Contractor in default and recovering all outstanding Fees and interest.
  
- f. **Business Review Meetings.** The Contractor must participate in Business Review ("BR") meetings at DOAS' request. During the BR meetings, the Contractor will present a written and oral status to DOAS regarding all work orders/purchase orders (including date and value). The BR meeting will also focus on the status of service level agreements, marketing efforts, and key performance indicators agreed to by Contractor and DOAS. The BR meeting may involve, but not be limited to, the following: review of the Contractor's performance and submitted reports, identification of areas of improvement to be addressed, review of the previous sales statistics, strategies to grow sales volume, marketing plan, development/monitoring of a Contractor service "scorecard."
  
- g. **Subcontractors:** Contractor warrants that all persons assigned to perform services under this Statewide Contract are either lawful employees of Contractor or lawful employees of a Subcontractor authorized by DOAS as specified in the RFX. All persons assigned to perform services under this Statewide Contract shall be qualified to perform such services. Personnel

assigned by Contractor shall have all professional licenses required to perform the services.

## **18. ORDERS**

Any order placed by an Authorized User for a product and/or service available under the Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

The State instructs Participating Entities within Georgia to include the Participating Entity Contract Number: 99999-SPD-T20250630-0002\_ and the Master Agreement Number: MNWNC-23015\_ on all purchase orders issued to Contractor.

Orders will be placed by an Authorized User directly with Contractor or approved Subcontractor, fulfillment partner, dealer or reseller.

The State of Georgia constitution prohibits State entities from pledging the State's credit. Accordingly, entities of the State of Georgia may only be obligated for the amount indicated in a purchase order executed by the state entity. Contractor shall ensure that all sales to entities of the State of Georgia and any supplemental agreements comply with the provisions of the PA 99999-SPD-T20250630-0002, and the Master Agreement. MNWNC-23015.

## **19. COMPENSATION**

- a. Pricing: Prices include, but are not limited to freight, insurance, fuel surcharges and customs duties.
- b. Delay of Payment Due to Contractor's Failure: If Contractor has failed to perform or deliver any product, software or service as required by the Master Agreement and Participating Addendum, the Contractor shall not be entitled to any compensation under the Master Agreement and Participating Addendum until such service or product is performed or delivered. In this event, the Authorized Users may withhold that portion of the Contractor's compensation which represents payment for software, products, and/or services that were not performed or delivered.
- c. Payment: Payment terms shall Net 30.
  - i. Invoices. Invoices for payments must be submitted by the Contractor or Authorized Reseller to the Authorized User requesting the services with sufficient detail to support payment. The terms and conditions included in the Contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the Authorized User, and no action by the Authorized User, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the contract. Authorized Users are solely and individually financially responsible to their respective purchases. Participating Entity shall not be responsible for payment of any amounts owed by other Authorized Users.

- ii. Inspection and Approval. Final inspection and approval of all purchases under the contract shall be performed by the designated Authorized User officials. Payments shall be made in accordance with the Master Agreement, provided that Authorized Users shall have no obligation to pay for contractual deliverable(s) purchased hereunder until such contractual deliverable(s) are received and accepted by the applicable Authorized User
- iii. Travel Expenses. Expenses for travel shall not be reimbursed unless specifically permitted under the Master Agreement. All travel must be approved in advance by the Authorized User. Expenditures made by the Contractor for travel will be reimbursed at the current rate paid by the State, available here: <https://sao.georgia.gov/state-travel-policy>.
- iv. Federal Funds. Payments may be made from federal funds obtained by the State. The Contractor is responsible for its compliance with all federal requirements imposed on these funds. Solely to the extent required for compliance with applicable federal laws, regulations and federal grant requirements, Authorized Users may include additional contract terms and conditions with their PO's that incorporate language required by federal grant conditions.

## 20. SOFTWARE LICENSES

Contractor shall provide software licenses in compliance with the terms of the Master Agreement and this Participating Addendum. To the extent that software licenses conflict with the terms and conditions of this PA, this PA shall control. Subject to Authorized User's compliance with the payment provisions, Contractor shall grant Authorized User a perpetual, irrevocable, non-exclusive, royalty-free license in Contractor's pre-existing intellectual property that is contained in the products, materials, equipment or services that are purchased through this Participating Addendum.

- a. Exclusions. Except as expressly permitted by the Master Agreement and this Participating Addendum, the Authorized Users agree that they will not:
  - i. Lease, loan, resell, sublicense or otherwise distribute the software to parties who are not State of Georgia government entities;
  - ii. Create derivative works based on the software;
  - iii. Reverse engineer, disassemble, or decompile the software; or
  - iv. Remove any identification or notices contained on the software.

## 21. TERMINATION

- a. **Immediate Termination.** Pursuant to O.C.G.A. Section 50-5-64, any purchase made pursuant to this Participation Agreement will terminate immediately and absolutely if DOAS or the Authorized User determines that adequate funds are not appropriated or granted or funds are de-appropriated such that DOAS or the Authorized User cannot fulfill obligations under the Participating Addendum, which determination is at DOAS and/or Authorized User's sole discretion and shall be conclusive. Further, DOAS may terminate the Participating Addendum for any one

- or more of the following reasons effective immediately without advance notice:
- i. In the event the Contractor is required to be certified or licensed as a condition precedent to providing goods and services, the revocation or loss of such license or certification may result in immediate termination of the Participating Addendum effective as of the date on which the license or certification is no longer in effect;
  - ii. DOAS determines that the actions, or failure to act, of the Contractor, its agents, employees or Subcontractors have caused, or reasonably could cause, life, health or safety to be jeopardized;
  - iii. The Contractor fails to comply with confidentiality laws or provisions.
- b. **Termination for Cause.** The occurrence of any one or more of the following events shall constitute cause for the Participating Entity to declare the Contractor in default of its obligations under the Master Agreement and Participating Addendum:
- i. The Contractor fails to deliver or has delivered nonconforming products, software, and/or services or fails to perform, to the Participating Entity's satisfaction, any material requirement of the Participating Addendum or is in violation of a material provision of the Participating Addendum, including, but without limitation, the express warranties made by the Contractor;
  - ii. The Participating Entity determines that satisfactory performance of the Participating Addendum is substantially endangered or that a default is likely to occur;
  - iii. The Contractor fails to make substantial and timely progress toward performance of the Participating Addendum;
  - iv. The Contractor becomes subject to any bankruptcy or insolvency proceeding under federal or state law to the extent allowed by applicable federal or state law including bankruptcy laws; the Contractor terminates or suspends its business; or the Participating Entity reasonably believes that the Contractor has become insolvent or unable to pay its obligations as they accrue consistent with applicable federal or state law;
  - v. The Contractor has failed to comply with applicable federal, state and local laws, rules, ordinances, regulations and orders when performing within the scope of the Participating Addendum;
  - vi. The Contractor has engaged in conduct that has or may expose the Participating Entity or the State to liability, as determined in the Participating Entity's sole discretion; or
  - vii. The Contractor has infringed any patent, trademark, copyright, trade dress or any other intellectual property rights of the Participating Entity, the State, or a third party.
- c. **Participating Entity's Right to Terminate Upon Notice.** Following thirty (30) days' written notice, the Participating Entity may terminate the Participating Addendum in whole or in part without the payment of any penalty or incurring any further obligation to the Contractor. Termination under this provision shall not affect the rights and obligations regarding orders outstanding at the time of termination.
- d. **Termination Due to Change in Law.** The Participating Entity shall have the right to terminate this Participating Addendum without penalty by giving thirty (30) days' written notice to the Contractor as a result of any of the following:

- i. The Participating Entity's authorization to operate is withdrawn or there is a material alteration in the programs administered by the Participating Entity; and/or
- ii. The Participating Entity's duties are substantially modified.

## 22. CONFIDENTIAL INFORMATION

- a. **Access to Confidential Data.** No later than ten (10) days from the date this Participating Addendum is fully executed, Contractor shall comply with the following requirements:
  - i. The Contractor shall provide to the State a written description of the Contractor's policies and procedures to safeguard Confidential Information (as defined in the Master Agreement)
  - ii. Policies of confidentiality shall address Confidential Information conveyed in verbal, written, and electronic formats;
  - iii. The Contractor will designate one individual who will be the primary point of contact for the State with regard to State data used by the Contractor (if any) in connection with its contractual performance hereunder;
  - iv. The Contractor shall provide adequate supervision and training to its agents, employees and Subcontractors to ensure compliance with the confidentiality terms of the Master Agreement and Participating Addendum.
- b. **Subpoena.** In the event that a subpoena or other legal process is served upon the Contractor for records containing Confidential Information, the Contractor shall promptly notify the State and reasonably cooperate with the State to protect the Confidential Information from disclosure.
- c. **Survives Termination.** The Contractor's confidentiality obligations under the Master Agreement and this Participating Addendum shall survive termination of the Participating Addendum.

Private or confidential information provided by the State or an Authorized User to Contractor hereunder shall remain the property of the State or such Authorized User at all times.

## 23. INDEMNIFICATION

As provided under O.C.G.A § 50-5-64.1(a)(1)(A), contracts shall not contain a term that requires State Entities to defend, indemnify, or hold harmless another person (the term "person" also includes "corporations," see O.C.G.A. § 1-3-3 and O.C.G.A. § 1-2-1). Any such provision in a contract shall be deemed void and the contract shall be otherwise enforceable as if it did not contain such term. Moreover, State Entities are prohibited by the Georgia Constitution from agreeing to any such provision as they have been determined to violate the prohibition against gratuities, pledges of the State's credit, and an unauthorized waiver of sovereign immunity. (Ga. Const. Art. VII, § IV, ¶ VIII; Ga. Const. Art. III. Sec. VI, Par. VI; 1980 Op. Att'y Gen. 80-67; 1974 Op. Att'y Gen. 74-115; 1980 Op. Att'y Gen. 80-67.) ANY TERM OR CONDITION IS VOID TO THE EXTENT IT REQUIRES THE STATE TO INDEMNIFY, DEFEND, OR PAY ATTORNEY'S FEES TO ANYONE FOR ANY REASON. IN CONNECTION WITH INDEMNIFICATION OF AN AUTHORIZED USER WHEN A GEORGIA STATE AGENCY IS A NAMED DEFENDANT IN ANY LAWSUIT, THE DEFENSE OF THE GEORGIA STATE AGENCY SHALL BE COORDINATED BY THE ATTORNEY GENERAL OF GEORGIA. THE ATTORNEY

GENERAL OF GEORGIA MAY, BUT HAS NO OBLIGATION TO, AUTHORIZE CONTRACTOR TO CONTROL THE DEFENSE AND ANY RELATED SETTLEMENT NEGOTIATIONS; PROVIDED, HOWEVER, THAT, IN SUCH EVENT, CONTRACTOR SHALL NOT AGREE TO ANY SETTLEMENT OF CLAIMS AGAINST THE STATE OF GEORGIA WITHOUT FIRST OBTAINING A CONCURRENCE FROM THE ATTORNEY GENERAL OF GEORGIA. IF THE ATTORNEY GENERAL OF GEORGIA DOES NOT AUTHORIZE SOLE CONTROL OF THE DEFENSE AND SETTLEMENT NEGOTIATIONS FOR CONTRACTOR, CONTRACTOR SHALL BE GRANTED AUTHORIZATION TO EQUALLY PARTICIPATE IN ANY PROCEEDING RELATED TO THIS SECTION.

#### **24. ARBITRATION, INDEMNIFICATION, DAMAGES, WARRANTIES**

Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State, Participating Entity, or Authorized Users have agreed to binding arbitration. Any term or condition that requires the parties to mediate or arbitrate is null and void. Voluntary dispute resolution procedures are valid to the extent allowed by law. Further the State of Georgia does not agree to pay attorney fees, costs, or late payment charges. Nothing herein, whether express or implied, shall be deemed to create an obligation on the part of the State, Participating Entity, or Authorized Users to indemnify, defend, hold harmless or release the Contractor, Contractor's Subcontractors, or Contractor's agents. This shall extend to all agreements related to the subject matter of the Master Agreement and this Participating Addendum including but not limited to lease agreements and order agreements issued hereto, and to all terms subsequently added, without regard to order of preference.

#### **25. PRODUCT RECALL**

In the event that any of the products are found by the Contractor, the State, any governmental Entity, or court having jurisdiction to contain a defect, serious quality or performance deficiency, or not to be in compliance with any standard or requirement so as to require or make advisable that such products be reworked or recalled, the Contractor will promptly communicate all relevant facts to the Participating Entity and undertake all corrective actions, including those required to meet all obligations imposed by laws, regulations, or orders, and shall file all necessary papers, corrective action programs, and other related documents, provided that nothing contained in this section shall preclude the Participating Entity from taking such action as may be required of it under any such law or regulation. The Contractor shall perform all necessary repairs or modifications at its sole expense except to any extent that the Contractor and the State shall agree to the performance of such repairs by the State upon mutually acceptable terms.

#### **26. PUBLIC RECORDS**

The laws of the State of Georgia, including the Georgia Open Records Act, as provided in O.C.G.A. Section 50-18-70 et seq., require procurement records and other records to be made public unless otherwise provided by law. Contractor agrees that this Contract, any related purchase orders, related invoices, and related pricing lists will be public documents, and may be available for distribution Contractor gives DOAS, the Authorized Users, and the State of Georgia express permission to make copies of this Contract, any related purchase orders, related invoices, and related pricing lists. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation. DOAS, the Authorized Users, and/or the State Georgia will not inform Contractor of any request for a copy of this Contract, including any related purchase orders, related invoices, and related pricing lists.

## 27. INDIVIDUAL PURCHASING ENTITY

Each Authorized User that purchases products/services shall be treated as if they were Individual Purchasing Entities. Except to the extent modified by a Participating Addendum, each Authorized User 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 Authorized User shall be responsible for their own charges, fees, and liabilities. Each Authorized User shall have the same rights to any indemnity as the Participating Agency and to recover any costs allowed in the contract for their purchases. The Contractor shall apply the charges to each Authorized User individually.

## 28. VIRTUAL CATALOG

### a. Team Georgia Marketplace™ Virtual Catalog

DOAS utilizes electronic catalog hosting and management services to enable state Purchasing Entities to access a central online website to view and/or shop the goods and services available from existing statewide contracts as further described in that agreement. The central online website is referred to as Team Georgia Marketplace™ and the catalog site is referred to as the Virtual Catalog.

#### Supplier's Interface with the Virtual Catalog

To be eligible for contract award, the Supplier must agree to cooperate with DOAS and its contractor, Jaggaer (formerly known as SciQuest), in the event DOAS selects this statewide contract to be exhibited on the Virtual Catalog. At a minimum, the Supplier agrees to the following:

1. Supplier agrees, upon DOAS' written request, to deliver within thirty (30) days of such request either (1) a hosted catalog or (2) punch-out catalog or a combination of both. Supplier will cooperate with DOAS and Jaggaer to create a schedule to enable the integration of the Supplier's statewide contract offering into the Virtual Catalog within a reasonable time period as determined by DOAS.
2. If requested by DOAS, Supplier will join the Jaggaer Supplier Network (JSN) and will have the option of using the Jaggaer's Supplier Portal to extract the Supplier's catalog and pricing, upload products, pricing and images into the Jaggaer system, and view reports on catalog spend and product/pricing freshness. The Supplier can receive orders through electronic delivery or through low-tech options such as e-mail and fax. More information about the JSN can be found at: [www.jaggaer.com](http://www.jaggaer.com) or call the Jaggaer Supplier Network Services team at 919-659-2152 or 800-233-1121.
3. Supplier will support use of the latest version of the United Nations Standard Product and Services Code (UNSPSC). UNSPSC are owned by the United Nations Development Programme (UNDP) are managed by GS1 US. Updates to the UNSPSC are conducted at a minimum of once a year. The State of Georgia reserves the right to migrate to future versions of the UNSPSC and the Supplier will be required to support the migration effort. All line items, goods or services provided under the resulting statewide contract must be associated to an appropriate UNSPSC code. All line items must be identified at the most detailed UNSPSC level indicated by segment, family, class and commodity. More information about the UNSPSC is available at: <http://www.unspsc.org> and <http://www.unspsc.org/fags#How>.
4. DOAS will decide which of the catalog structures (either Hosted, Punch Out, or both as further described below) will be provided by the Supplier. **Regardless the type of**

**catalog(s) selected, items displayed within the catalog must be strictly limited to the Supplier's awarded contract offering (e.g. products and/or services not authorized through the resulting statewide contract are not to be viewable by User Agencies).**

- a. Hosted Catalog. By providing a Hosted Catalog, the Supplier is providing a list of its products/services, pricing, and images in an electronic data file in a format accepted by Jaggaer's System Integration, such as Tab Delimited Text files. In this scenario, the Supplier must submit updated electronic data from time to time to DOAS to maintain the most up-to-date version of its product/service offering under the statewide contract in the Virtual Catalog.
  - b. Punch-Out Catalog. By providing a Punch Out Catalog, the Supplier is providing its own online catalog, which must be capable of being integrated with the Virtual Catalog as follows: Standard punch-in via Commerce Extensible Markup Language (cXML). In this scenario, the Supplier ensures its online catalog marketplace is up-to-date by periodically updating the offered products/services and pricing listed on its online catalog. Updates and Changes made to the Supplier's Online Catalog, as it relates to pricing and adding of items, must be approved by DOAS prior to enabling. If awarded multiple contracts, Supplier agrees to maintain a single Punch Out site and be able to provide the appropriate contract id on each item returned to Jaggaer. The site must also return detailed UNSPSC codes (as outlined in line 3) for each line item. Supplier also agrees to provide e-Quote functionality that is retrievable for purchase through the Integration to facilitate volume discounts. Supplier will need to be able to facilitate the delivery of Level II Punch Out within this Integration.
5. Minimum Requirements: Whether the Supplier is providing a Hosted Catalog or a Punch Out Catalog, the Supplier agrees to meet the following requirements:
- a. Catalog must contain the most current pricing\* and/or discounts, as well as the most up-to-date product/service offering the Supplier is authorized to provide in accordance with the statewide contract; and
  - b. The accuracy of the catalog must be maintained by Supplier throughout the duration of the statewide contract between the Supplier and DOAS; and
  - c. The Catalog must include a Statewide contract number 99999-SPD-T20250630-0002; and
  - d. The catalog must include detailed product line item descriptions; and
  - e. The catalog must include pictures or diagrams when possible;\*\* and
  - f. The catalog must include DOAS accepted Unit of Measure
  - g. The catalog must include any additional DOAS content requirements.\*\*\*
6. Revising Pricing and Product Offerings: Any revisions (whether an increase or decrease) to pricing or product/service offerings (new products, altered SKUs, etc.) must be pre-approved by DOAS and will be subject to any other applicable restrictions with respect to the frequency or amount of such revisions. However, no statewide contract showcased in the Virtual Catalog may include price changes on a more frequent basis than once per quarter. The following conditions apply with respect to hosted catalogs:
- a. Updated pricing files are required by the 1<sup>st</sup> of the month and will go into effect in the Virtual Catalog on the 1<sup>st</sup> day of the following month (i.e. file received on 1/01/09 would be effective in the Virtual Catalog on 12/01/09). Files received after the 1<sup>st</sup> of the month may be delayed up to a month (i.e. file received on 11/06/09 would be effect in the Virtual Catalog on 1/01/10).
  - b. DOAS-approved price changes are not effective until implemented within the Virtual Catalog. Errors in the Supplier's submitted pricing files will delay the implementation of the price changes in the Virtual Catalog.

- c. Supplier will be required to honor pricing, for an agreed upon time, on orders that are considered to be "in-flight" at the time the price change goes into effect.
7. Supplier must be able to accept Purchase Orders via fax, e-mail, cXML or EDIINT.
  - a. For Punch Out Catalogs the Supplier must accept orders Catalog generated orders via cXML or EDIINT. For Orders consisting of items that are considered, non-catalog items, orders must be able to be received as stated above.
  - b. For Purchase Orders received via email, the Supplier must provide a dedicated email address (i.e. [orders@company.com](mailto:orders@company.com)) that is monitored during normal business hours.
  - c. The Supplier is required to provide positive confirmation via phone or email within 24 hours of the Supplier's receipt of the Purchase Order. If the Purchasing Order is received after 3pm EST on the day before a weekend or holiday, the Supplier must provide positive confirmation via phone or email on the next business day.
8. Supplier agrees that DOAS controls which contracts appear on the Virtual Catalog and that DOAS may elect at any time to remove any supplier's offering from the Virtual Catalog.  
\* Current pricing is to be inclusive of all administrative fees, delivery costs, production costs, third party pass through charges, or any markups or adjustments.

\*\*Details regarding the submission of image files and catalog content will be discussed during the enablement process; however, the following represents key information regarding the submission of product image files:

- o Provide URL links to the product images (preferred method) or actual image files (in gif, jpeg and other commonly used formats) for all of the items in the Supplier's catalog that will be hosted by the Virtual Catalog. These images are displayed to the Purchasing Entity directly in search results as well as in the product details window.
- o Provide the actual image files in a 'zip archive'. Please go to [www.winzip.com](http://www.winzip.com) to download the WinZip® application that is needed to create such an archive as well as additional details about using WinZip® application.
- o Provide only one image per product.
- o Color pictures are preferred; however, black and white pictures or drawings are acceptable if this is the current standard for the Supplier's business marketing.
- o Please note the Virtual Catalog prefers jpg format for image files (280X280 pixels) although images in many other formats are accepted.
  - When an image is in jpg format, it is resized to 280X280 pixels, if necessary, to maintain a consistent appearance for the Virtual Catalog.
  - When an image is in a format other than jpg, it will be converted to jpg and resized to 280X280 pixels to maintain a consistent appearance for the Virtual Catalog.
- o As products change, updated image files must be submitted to update the Virtual Catalog.
- o Provide a corporate logo image in the following sizes. Logo will be used for display on the Supplier/Contract profile.
  - o 30 pixels (H) x 70 pixels (W)
  - o 50 pixels (H) x 115 pixels (W)
  - o 300 pixels (H) x 200 pixels (W)

In rare instances where an image is not available, Jaggaer and DOAS will work with the Supplier to determine the best solution for advertising the Supplier's offering.

\*\*\* Existing suppliers in the SQSN normally host one (1) general product catalog that is

made available for all Purchasing Entities. This avoids duplication of effort for the supplier and brings improvements to the catalog to all Purchasing Entities at once. It is rare that individual Purchasing Entities have needs that are not also required by others. Jaggaer does not prohibit 'private' catalogs, but recommends review of requirements with the supplier enablement consultants and the suppliers in question first. Although suppliers in the SQSN normally submit one (1) catalog, it is possible to have multiple contracts applicable to different Georgia agencies. For example, a supplier may have different pricing for state government agencies and Board of Regents institutions. Suppliers have the ability and responsibility to submit separate contract pricing for the same catalog if applicable. The system will deliver the appropriate contract pricing to the person viewing the catalog.

In the event DOAS selects this statewide contract to be included on the Virtual Catalog, Jaggaer's technical documentation will be provided to the Supplier after (1) the Supplier has been formally invited by DOAS to join the Virtual Catalog and (2) the Supplier has joined the Jaggaer Supplier Network and signed up for Jaggaer's Supplier Portal. These services will be provided by Jaggaer at no additional cost to the Supplier. Supplier agrees that Supplier's statewide contract pricing includes any and all costs to the Supplier in complying with these provisions.

The Board of Regents and select colleges currently maintain separate instances of certain statewide contracts through Jaggaer. In the event Board of Regents or one or more colleges elects to publish the resulting statewide contract in the board/college's Jaggaer catalog, the awarded supplier agrees to work in good faith with the board/college to implement the catalog. DOAS does not anticipate that this will require additional efforts by the awarded supplier; however, the supplier agrees to take commercially reasonable efforts to enable such separate Jaggaer catalogs or related integrations (i.e., electronic order submission, e-invoicing, etc.). Suppliers are welcome to submit questions regarding this requirement during the Q&A period and/or during the Bidders'/Offerors' Conference.

## **29. COMPLIANCE WITH THE LAW**

The Contractor, its employees, agents, and Subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders now or hereafter in effect when performing under the Contract, including without limitation, all laws applicable to the prevention of discrimination in employment and the use of targeted small businesses as Subcontractors or Contractors. The Contractor, its employees, agents and Subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under the Contract. When performing services or carrying out activities contemplated by this Participating Addendum on DOAS or Authorized User property, Contractor and Contractor's personnel shall also comply with all State and State Entity policies and standards in effect during the performance of the Contract, including but not limited to the State Entity's policies and standards relating to personnel conduct, security, safety, confidentiality, and ethics. Contractor certifies that Contractor is not currently engaged in, and agrees for the duration of this Contract, including any renewals or extensions thereof, not to engage in, a boycott of Israel, as defined in O.C.G.A. § 50-5-85. Further, the provisions of O.C.G.A. Section 45-10-20 et seq. have not and must not be violated under the terms of this Contract. Further, Contractor represents that Contractor complies with and will continue to comply with O.C.G.A. § 21-5-76.

### **30. TAXES**

- a. Certification Regarding Sales and Use Tax: By executing the Contract the Contractor certifies it is either (a) registered with the State Department of Revenue, collects, and remits State sales and use taxes as required by Georgia law, including Chapter 8 of Title 48 of the O.C.G.A.; or (b) not a "retailer" as defined in O.C.G.A. Section 48-8-2. The Contractor also acknowledges that the State may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the DOAS or its representative filing for damages for breach of contract.
- b. Responsibility for Taxes: The State of Georgia and its agencies shall not be responsible for, or indemnify a Contractor for, any federal, state, or local taxes which may be imposed or levied upon the subject matter of this Agreement.
- c. Federal Excise Taxes: Authorized Users are exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on Contractor's employee's wages. Authorized Users are exempt from State and Local Sales and Use Taxes on the services. Tax Exemption Certificates will be furnished upon request. Contractor or an authorized Subcontractor has provided the Participating Entity with a sworn verification regarding the filing of unemployment taxes or persons assigned by Contractor to perform services required in this Participating Addendum, which verification is incorporated herein by reference.

### **31. SCRUTINIZED COMPANY LIST**

In executing this Participating Addendum, Contractor that currently and/or previously, within the last three years, has had business activities or other operations outside of the United States, must certify that it is not a "scrutinized company". A scrutinized company is a company conducting business operations in Sudan that is involved in power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, but excludes a company which can demonstrate any of the following exceptions noted in O.C.G.A. Section 50-5-84. False certification hereunder may result in civil penalties, contract termination, ineligibility to bid on state Contractors for three or more years, and/or any other available remedy. If the Contractor is a scrutinized company, the Contractor shall not be eligible to execute a Contract with the Participating Entity unless DOAS makes a determination in accordance with O.C.G.A. Section 50-5-84 that it is in the best interests of the State.

### **32. NATIONAL DEFENSE AUTHORIZATION ACT**

To ensure that any equipment or services procured by Authorized Users adequately protects the security of state data. Effective August 13, 2018, the John McCain National Defense Authorization Act (NDAA), H.R. 5515 (<https://www.congress.gov/bill/115th-congress/house-bill/5515/text#toc-H4350A53097BD46409287451A50C4F397>), provides that agencies of the federal government are prohibited from procuring equipment or services from Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities). In addition, federal agencies are prohibited from procuring certain video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any of their subsidiaries or affiliates) and any other prohibited goods, technology or services or other companies that may be added to a prohibited list. Products and services provided under this Contract may not be derived or

associated with the aforementioned prohibited companies.

### **33. DRUG-FREE WORKPLACE**

The Contractor hereby certifies as follows:

- a. Contractor will not engage in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of this Contract; and
- b. If Contractor has more than one employee, including, Contractor shall provide for such employee(s) a drug-free workplace, in accordance with the Georgia Drug-free Workplace Act as provided in O.C.G.A. Section 50-24-1 et seq., throughout the duration of this Contract; and
- c. Contractor will secure from any Subcontractor hired to work on any job assigned under this Contract the following written certification: "As part of the subcontracting agreement with (Contractor's Name), (Sub-Contractor's Name) certifies to the Contractor that a drug-free workplace will be provided for the Subcontractor's employees during the performance of this Contract pursuant to paragraph 7 of subsection (b) of Code Section 50-24-3."

Contractor may be suspended, terminated, or debarred if it is determined that:

- a. Contractor has made false certification here in above; or
- b. Contractor has violated such certification by failure to carry out the requirements of O.C.G.A. Section 50-24-3(b).

### **34. THIRD PARTY BENEFICIARIES.**

There are no third-party beneficiaries to the Participating Addendum. The Participating Addendum is intended only to benefit the Participating Entity, the Authorized Users, and the Contractor.

### **35. CHOICE OF LAW AND FORUM.**

As provided under O.C.G.A § 50-5-64.1(a)(2)(B) and (C), the laws of the State of Georgia shall govern and determine all matters arising out of or in connection with this Participating Addendum without regard to the choice of law provisions of State law. In the event, any proceeding of a quasi-judicial or judicial nature is commenced in connection with this Participating Addendum, such proceeding shall solely be brought in a court or other forum of competent jurisdiction within Fulton County, Georgia. This provision shall not be construed as waiving any immunity to suit or liability, including without limitation sovereign immunity, which may be available to the State, Participating Entity, or Authorized User.

Contract Vendor may only assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities to an "Affiliate" (any legal entity that Contract Vendor owns, that owns Contract Vendor, or that is under common ownership with Contract Vendor). Contract Vendor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Participating Addendum, in whole or in part, to a Non-Affiliate without the prior written approval of the Participating Entity. Such written approval shall not be unreasonably withheld, conditioned, or delayed and the Participating Entity shall use his or her best efforts to provide such consent no more than fifteen (15) days from the

date of Contract Vendor's request. Any assignment by Contract Vendor pursuant to this provision will not relieve Contract Vendor of its obligations under this Master Agreement.

Contract Vendor may not assign this Participating Addendum, in whole or in part to an assignee that has been debarred by federal or state agencies, or where Participating Entity is restricted from accepting the assignment based on Participating Entity's governing state laws.

**36. USE OF THIRD PARTIES.**

Except as may be expressly agreed to in writing by the Participating Entity, Contractor shall not subcontract, or otherwise permit anyone other than Contractor or Contractor's personnel (or Contractor's Affiliates) to perform any of Contractor's obligations under this Participating Addendum or any of the work subsequently assigned under this Participating Addendum. The Participating Entity's designated contract administrator shall have the right to approve the addition of any new Subcontractors. No subcontract which Contractor enters into with respect to performance of obligations or work assigned under the Participating Addendum shall in any way relieve Contractor of any responsibility, obligation or liability under this Participating Addendum and for the acts and omissions of all Subcontractors, agents, and employees. All restrictions, obligations and responsibilities of the Contractor under the Participating Addendum shall also apply to the Subcontractors. The Participating Entity shall have the right to request the removal of a Subcontractor for good cause

**37. INTEGRATION.**

The Participating Addendum, Master Agreement and its incorporated documents represents the entire agreement between the parties. The parties shall not rely on any representation that may have been made which is not included in the Participating Addendum.

**38. HEADINGS OR CAPTIONS.**

The paragraph headings or captions used in the Participating Addendum are for identification purposes only and do not limit or construe the contents of the paragraphs.

**39. NOT A JOINT VENTURE.**

Nothing in the Participating Addendum or Master Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties thereto. Each party shall be deemed to be an independent Contractor contracting for products, software and services and acting toward the mutual benefits expected to be derived herefrom. Neither Contractor nor any of Contractor's agents, servants, employees, Subcontractors or Contractors shall become or be deemed to become agents, servants, or employees of the State. Contractor shall therefore be responsible for compliance with all laws, rules and regulations involving its employees and any Subcontractors, including but not limited to employment of labor, hours of labor, health and safety, working conditions, workers' compensation insurance, and payment of wages. No party has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to the Participating Addendum.

**40. SUPERSEDES FORMER CONTRACTS OR AGREEMENTS.**

Unless otherwise specified in the Participating Addendum, this Participating Addendum supersedes all prior contracts or agreements between the Participating Entity and the

Contractor for the products, software and services provided pursuant to the Participating Addendum.

**41. WAIVER.**

Except as specifically provided for in a waiver signed by duly authorized representatives of the Participating Entity and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Participating Addendum shall not be construed as affecting any subsequent right to require performance or to claim a breach.

**42. NOTICE.**

Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to the person who signed the Participating Addendum on behalf of the party at the address identified in the Participating Addendum Form. Each such notice shall be deemed to have been provided:

- a. At the time it is actually received; or,
- b. Within one (1) day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery; or,
- c. Within five (5) days after it is deposited in the U.S. Mail in the case of registered U.S. Mail.

From time to time, the parties may change the name and address of the person designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

**43. CUMULATIVE RIGHTS.**

The various rights, powers, options, elections and remedies of any party provided in the Participating Addendum shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

**44. SEVERABILITY.**

If any provision of the Participating Addendum is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of the Participating Addendum. Further, if any provision of the Participating Addendum is determined to be unenforceable by virtue of its scope, but may be made enforceable by a limitation of the provision, the provision shall be deemed to be amended to the minimum extent necessary to render it enforceable under the applicable law. Any agreement of the Participating Entity and the Contractor to amend, modify, eliminate, or otherwise change any part of this Participating Addendum shall not affect any other part of this Participating Addendum, and the remainder of this Participating Addendum shall continue to be of full force and effect.

**45. TIME IS OF ESSENCE.**

Time is of the essence with respect to the performance of the terms of the Master Agreement and Participating Addendum. Contractor shall ensure that all personnel

providing products, software and services to the State are responsive to the State's requirements and requests in all respects.

**47. FORCE MAJEURE.**

Neither Party shall be deemed to be in default of or to have breached any provision of this Contract or a Purchase Instrument due to a delay, failure in performance or interruption of service, if such performance or service are impossible to execute, illegal or commercially impracticable, because of the following "force majeure" occurrences: acts of God, acts of civil or military authorities, civil disturbances, wars, strikes or other labor disputes, transportation contingencies, freight embargoes, acts or orders of any government or agency or official thereof, earthquakes, fires, floods, unusually severe weather, epidemics, pandemics, quarantine restrictions and other catastrophes or any other similar occurrences beyond such party's reasonable control. In every case, the delay or failure in performance or interruption of service must be without the fault or negligence of the party claiming excusable delay and the party claiming excusable delay must promptly notify the other party of such delay. Performance time under this Contract or a Purchase Instrument shall be considered extended for a period of time equivalent to the time lost because of the force majeure occurrence; provided, however, that if any such delay continues for a period of more than thirty (30) days, Agency shall have the option of terminating this Contract or User Entity shall have the option of terminating a Purchase Instrument upon written notice to Supplier.

**48. Sexual Harassment Prevention.**

The State of Georgia promotes respect and dignity and does not tolerate sexual harassment in the workplace. The State is committed to providing a workplace and environment free from sexual harassment for its employees and for all persons who interact with state government. All State of Georgia employees are expected and required to interact with all persons including other employees, Contractors, and Purchasing Entities in a professional manner that contributes to a respectful work environment free from sexual harassment. Furthermore, the State of Georgia maintains an expectation that its Contractors and their employees and Subcontractors will interact with entities of the State of Georgia, their Purchasing Entities, and other Contractors of the State in a professional manner that contributes to a respectful work environment free from sexual harassment.

Pursuant to the State of Georgia's Statewide Sexual Harassment Prevention Policy (the "Policy"), all Contractors who are regularly on State premises or who regularly interact with State personnel must complete sexual harassment prevention training on an annual basis.

If the Contractor, including its employees and Subcontractors, violates the Policy, including but not limited to engaging in sexual harassment and/or retaliation, the Contractor may be subject to appropriate corrective action. Such action may include, but is not limited to, notification to the employer, removal from State premises, restricted access to State premises and/or personnel, termination of contract, and/or other corrective action(s) deemed necessary by the State.

- a. If Contractor is an individual who is regularly on State premises or who will regularly interact with State personnel, Contractor certifies that:
  - i. Contractor has received, reviewed, and agreed to comply with the State of

Georgia's Statewide Sexual Harassment Prevention Policy located at <http://doas.ga.gov/human-resources-administration/board-rules-policy-and-compliance/jointly-issued-statewide-policies/sexual-harassment-prevention-policy>;

- ii. Contractor has completed sexual harassment prevention training in the last year and will continue to do so on an annual basis; or will complete the Georgia Department of Administrative Services' sexual harassment prevention training located at this direct link <https://www.youtube.com/embed/NjVt0DDnc2s?rel=0> prior to accessing State premises and prior to interacting with State employees; and on an annual basis thereafter; and,
  - iii. Upon request by the State, Contractor will provide documentation substantiating the completion of sexual harassment training.
- b. If Contractor has employees and Subcontractors that are regularly on State premises or who will regularly interact with State personnel, Contractor certifies that:
- i. Contractor will ensure that such employees and Subcontractors have received, reviewed, and agreed to comply with the State of Georgia's Statewide Sexual Harassment Prevention Policy located at <http://doas.ga.gov/human-resources-administration/board-rules-policy-and-compliance/jointly-issued-statewide-policies/sexual-harassment-prevention-policy>;
  - ii. Contractor has provided sexual harassment prevention training in the last year to such employees and Subcontractors and will continue to do so on an annual basis; or Contractor will ensure that such employees and Subcontractors complete the Georgia Department of Administrative Services' sexual harassment prevention training located at this direct link <https://www.youtube.com/embed/NjVt0DDnc2s?rel=0> prior to accessing State premises and prior to interacting with State employees; and on an annual basis thereafter; and
  - iii. Upon request of the State, Contractor will provide documentation substantiating such employees and Subcontractors' acknowledgment of the State of Georgia's Statewide Sexual Harassment Prevention Policy and annual completion of sexual harassment prevention training.

#### **49. AUTHORIZATION.**

The persons signing this Participating Addendum represent and warrant to the other parties that:

- a. It has the right, power and authority to enter into and perform its obligations under the Participating Addendum; and
- b. It has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of the Participating Addendum and the Participating Addendum constitutes a legal, valid and binding obligation upon itself

in accordance with its terms.

**50. SUCCESSORS IN INTEREST.**

All the terms, provisions, and conditions of the Participating Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

**51. RECORD RETENTION AND ACCESS.**

The Contractor shall maintain books, records and documents which sufficiently and properly document and calculate all charges billed to the State throughout the term of the Participating Addendum for a period of at least five (5) years following the date of final payment or completion of any required audit, whichever is later. The Contractor should maintain separate accounts and records for the Participating Entity and the Authorized Users. Records to be maintained include both financial records and service records. The Contractor shall permit the Auditor of the State of Georgia or any authorized representative of the State, and where federal funds are involved, the Comptroller General of the United States, or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to the Participating Addendum, during normal business hours. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Evidence of criminal conduct will be turned over to the proper authorities.

**52. CLEAN AIR AND WATER CERTIFICATION.**

Contractor certifies that none of the facilities it uses to produce products provided under the Participating Addendum are on the Environmental Protection Participating Entity (EPA) List of Violating Facilities. Contractor will immediately notify the Participating Entity of the receipt of any communication indicating that any of Contractor's facilities are under consideration to be listed on the EPA List of Violating Facilities.

**53. DEBARRED, SUSPENDED, AND INELIGIBLE STATUS.**

Contractor certifies that the Contractor and/or any of its Subcontractors have not been debarred, suspended, or declared ineligible by any Participating Entity of the State of Georgia or as defined in the Federal Acquisition Regulation (FAR) 48 C.F.R. Ch.1 Subpart 9.4. Contractor will immediately notify the Participating Entity if Contractor is debarred by the State or placed on the Consolidated List of Debarred, Suspended, and Ineligible Contractors by a federal entity.

**54. USE OF NAME OR INTELLECTUAL PROPERTY.**

Contractor agrees it will not use the name or any intellectual property, including but not limited to, State trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the State.

**55. OBLIGATIONS BEYOND CONTRACT TERM.**

The Participating Addendum shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to the Participating Addendum. Any applicable confidentiality obligations, manufacturer's warranty and additional warranty

purchased by an Authorized User under the Participating Addendum as of the date of expiration, termination or cancellation of the Participating Addendum will survive such termination, expiration or conclusion of the Participating Addendum.

**56. COUNTERPARTS.**

The Participating Entity and the Contractor agree that the Participating Addendum has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

**57. FURTHER ASSURANCES AND CORRECTIVE INSTRUMENTS.**

The Participating Entity and the Contractor agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of the Participating Addendum.

**58. TRANSITION COOPERATION AND COOPERATION WITH OTHER CONTRACTORS.**

Contractor agrees that upon termination of this Participating Addendum for any reason, it shall provide reasonable efforts and cooperation to ensure an orderly and efficient transition of services to the State or another Contractor. Further, in the event that the State has entered into or enters into agreements with other Contractors for additional work related to services rendered under the Master Agreement and Participating Addendum, Contractor agrees to cooperate reasonably with such other Contractors.

**59. AGREEMENT.**

This Participating Addendum and the Master Agreement together with its exhibits and/or amendments, 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 Participating Addendum and the Master Agreement, together with its exhibits and/or amendment shall not be added to or incorporated into this Participating Addendum or the Master Agreement and its exhibits and/or amendments, by any subsequent purchase order or otherwise (except as required by Authorized Users in order to utilize specific funds for a procurement), and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Participating Addendum and the Master agreement and its exhibits and/or amendments shall prevail and govern in the case of any such inconsistent or additional terms.

By signing below, Contractor agrees to offer the same services as on the Minnesota WSCA-NASPO Master Agreement Number: MNWNC-23015, at prices equal to or lower than the prices on the contract.

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

<b>Contractor:</b> Microsoft Corporation	<b>Participating Entity</b>
<b>Signature:</b>  <u>Kim Vogel</u> (Aug 27 2024 15:00 EDT)	<b>Signature:</b> 
<b>Name:</b> Kim Vogel	<b>Name:</b> Jim Barnaby
<b>Title:</b> General Manager	<b>Title:</b> Deputy Commissioner
<b>Date:</b> 08/27/2024	<b>Date:</b> 9/12/2024

## EXHIBIT A

### Data Security, Confidentiality, and Ownership Terms and Conditions

In the course of providing goods and/or services to the State of Georgia and governmental entities of the State pursuant to this contract, Supplier may gain access to Sensitive State Data as defined below. In such event, these Data Security Terms and Conditions shall apply. Notwithstanding the foregoing, the Parties acknowledge and agree that: (i) Supplier will not be providing any cloud services under this Agreement; (ii) if applicable, the terms of this Exhibit A shall only apply to Supplier's performance of its obligations under this Agreement; and (iii) Supplier's agreement to the terms of this Exhibit A for purposes of this Agreement does not set and shall not be used as precedence for negotiating similar terms for any other agreement with Supplier.

#### I. DEFINITIONS AND GENERAL INFORMATION

**A. Definitions.** The following words shall be defined as set forth below:

1. **"Authorized Persons"** means Supplier and its employees, subcontractors, or other agents to the extent necessary for such persons to access Sensitive State Data to enable Supplier to provide goods and/or services under this Agreement.
2. **"Data Breach"** means a security-relevant event in which the security of a system or procedure used to create, obtain, transmit, maintain, use, process, store, or dispose of data is breached and Sensitive State Data or information technology resources is exposed to unauthorized access, use, disclosure, alteration, or theft.
3. **"Personally Identifiable Information"** includes, but is not limited to, personal identifiers such as name, address, phone number, date of birth, Social Security number, and student or personnel identification number; Personal Information as defined in O.C.G.A. 10-1-911 and/or any successor laws of the State of Georgia; Personally Identifiable Information contained in student education records as that term is defined in the Family Educational Rights and Privacy Act, 20 USC 1232g; Medical Information as defined in Georgia Code Section 32.1-127.1:05; Protected Health Information" as that term is defined in the Health Insurance Portability and Accountability Act, 45 CFR Part 160.103; Nonpublic Personal Information as that term is defined in the Gramm-Leach-Bliley Financial Modernization Act of 1999, 15 USC 6809; credit and debit card numbers and/or access codes and other cardholder data and sensitive authentication data as those terms are defined in the Payment Card Industry Data Security Standards; other financial account numbers, access codes, driver's license numbers; and state- or federal-identification numbers such as passport, visa or state identity card numbers.
4. **"Personal Data"** as defined in O.C.G.A. § 10-1-911 means an individual's first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted or redacted:
  - a. Social security number;

- b. Driver's license number or state identification card number;
  - c. Account number, credit card number, or debit card number, if circumstances exist wherein such a number could be used without additional identifying information, access codes, or passwords;
  - d. Account passwords or personal identification numbers or other access codes; or
  - e. Any of the items contained in subparagraphs (A) through (D) of this paragraph when not in connection with the individual's first name or first initial and last name, if the information compromised would be sufficient to perform or attempt to perform identity theft against the person whose information was compromised.
5. **“Sensitive State Data”** means all Personally Identifiable Information and other information that is not intentionally made available by the State on public websites or publications, including but not limited to business, administrative, and financial data, intellectual property, and patient, student and personnel data and records not required to be publicly disclosed under the Georgia Open Records Act, O.C.G.A. § 50-18-72 et seq., including any plan, blueprint, or material which if made public would compromise security. Sensitive State Data includes data created or in any way originating with or on behalf of the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State's hardware, Supplier's hardware or exists in any system owned, maintained or otherwise controlled by the State or Supplier.
6. **“Security Incident”** means the potentially unauthorized access by non-Authorized Persons to Sensitive State Data that could reasonably result in the use, disclosure, alteration, or theft of the Sensitive State Data or information technology resources within the possession or control of Supplier or any cyber-attack, data breach, or identified use of malware that may create a life-safety event, substantially impair the security of data or information systems, or affect critical systems, equipment, or service delivery. A Security Incident may or may not turn into a Data Breach.

## II. DATA OWNERSHIP AND PROTECTION

- A. **Data Ownership.** The State will own all right, title and interest, including all intellectual property rights, in its data that is related to the goods and services provided under this Agreement. Supplier shall not access Sensitive State Data, except 1) as is reasonably necessary to perform data center operations, 2) in response to service or technical issues, 3) as required by Supplier to provide the goods and services covered by this Agreement or 4) at the State's request. Supplier has a limited, non-exclusive license to use Sensitive State Data solely for the purpose of performing its obligations under this Agreement.
- B. **Data Protection.** Protection of personal privacy and data shall be an integral part of the business activities of Supplier and designed to ensure that there is no inappropriate

or unauthorized access to or use of Sensitive State Data at any time. To this end, Supplier shall safeguard the confidentiality, integrity, and availability of Sensitive State Data and comply with the following conditions:

1. Supplier shall maintain appropriate administrative, physical, and technical security measures to safeguard against unauthorized access, use, disclosure, alteration, or theft of Sensitive State Data. Such security measures shall be in accordance with current NIST 800-53 standards commensurate with the FISMA data classification specified by the State. If no data classification is specified by the State, in accordance with the measures applicable to the FISMA moderate classification.
  2. Supplier shall use industry best practices and up-to-date security tools, technologies, and practices such as network firewalls, anti-virus protections, vulnerability scans, system logging, 24x7 system monitoring, third-party penetration testing, and intrusion detection methods in providing services under this Agreement.
  3. Where the security objectives of confidentiality, authentication, non-repudiation, or data integrity are categorized FISMA compliance level moderate or higher, all electronic Sensitive State Data shall be encrypted using a cryptography method specified by the State while at rest on all devices controlled by Supplier and in transit across public networks with controlled access. Unless otherwise provided in the Agreement, Supplier is responsible for encryption of the Sensitive State Data.
  4. Unless otherwise provided in the Agreement Supplier shall enforce separation of job duties, require commercially reasonable non-disclosure agreements, and limit staff knowledge of Sensitive State Data to that which is absolutely necessary to perform job duties.
  5. Supplier shall not disclose Sensitive State Data to any third party without the prior written consent of the State except as otherwise provided by the Agreement or required by law. Nor shall supplier, copy, or retain Sensitive State Data except as provided for in the RFX. Supplier shall ensure that its employees and agents who will have potential access to Sensitive State Data have passed appropriate, industry standard background screening and, where applicable, federally mandated background screening and possess the qualifications and training to comply with the terms of this Agreement. Supplier shall promote and maintain an awareness of the importance of securing Sensitive State Data among Supplier's employees and agents.
- C. Data Location.** In providing goods and services to the State, supplier shall access, store, and process Sensitive State Data solely from location(s) or data centers in the U.S. and Supplier shall notify State of such locations. Storage of Sensitive State Data at rest shall be located solely in location(s) or data centers in the U.S. and Supplier shall notify State of such locations. Supplier shall not allow its personnel or Authorized Persons to store Sensitive State Data on portable devices, including personal computers, except for devices that are used and kept only at U.S. location(s) or data centers. Supplier shall only permit its personnel and consultants to remotely access Sensitive State Data as required to provide goods

and services under this Agreement and shall only allow such remote access from locations within the U.S. No staff (including but not limited to subcontractors) used in the performance of this Contract shall perform services from an Offshore location.

In addition to the above, Supplier shall not access Sensitive State Data, except as requested in writing, or permitted by Authorized user in the following scenarios:

1. during data center operations,
2. in response to service or technical issues,
3. as required by Supplier to perform the services covered by this Agreement or
4. at the State's request.

### **III. SECURITY INCIDENT AND DATA BREACH RESPONSIBILITIES**

Supplier shall inform the State of any Security Incident or Data Breach.

- A. Incident Response.** Supplier may need to communicate with outside parties regarding a Security Incident or Data Breach, which may include contacting law enforcement, fielding media inquiries, and seeking external expertise as mutually agreed upon, defined by law, or contained in the Agreement. Discussing security incidents with the State should be handled on an urgent as-needed basis, as part of Supplier's communication and mitigation processes as mutually agreed upon, defined by law, or contained in the Agreement. Any contacting of law enforcement on matters regarding State systems or data must be followed by a report to the Georgia Information Sharing and Analysis Center (GISAC) at (404) 561-8497.
- B. Security Incident and Data Breach Reporting Requirements.** Upon becoming aware of a Security Incident or Data Breach, Supplier shall:
  1. Promptly notify the State identified contact within seventy-two hours of discovery or sooner, unless shorter time is required by the Agreement or applicable law;
  2. Fully investigate the Security Incident or Data Breach and cooperate fully with the State's investigation of and response thereto. Except as otherwise required by law, Supplier shall not provide notice of the Security Incident or Data Breach directly to individuals whose Personally Identifiable Information was involved, regulatory agencies, or other entities, without prior written permission from the State;
  3. Promptly implement necessary remedial measures reasonably determined by the State; and
  4. Document responsible actions taken related to the Data Breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
  5. Supplier will provide daily updates, or more frequently if required by the State, regarding findings and actions performed by Service Provider to the State

Identified Contact until the Data Breach has been effectively resolved to the State's satisfaction.

6. Supplier shall quarantine the Data Breach, ensure secure access to Data, and repair IaaS and/or PaaS as needed in accordance with the SOW and/or SLA. Failure to do so may result in the State exercising its options for assessing damages or other remedies under this Contract.

#### **IV. LIABILITY**

- A. If Supplier will under this agreement create, obtain, transmit, use, maintain, process, or dispose of the subset of Sensitive State Data known as Personally Identifiable Information, the following provisions apply: In addition to any other remedies available to the State under law or equity, Supplier shall reimburse the State in full for all costs incurred by the State in investigation and remediation of any Data Breach or Security Incident caused by Supplier, including but not limited to providing notification to individuals whose Personally Identifiable Information was compromised and to regulatory agencies or other entities as required by law or contract; a website or toll-free number and call center for affected individuals required by law, providing one year's credit monitoring to the affected individuals if the Personally Identifiable Information exposed during the breach could be used to commit financial identity theft; and the payment of legal fees, audit costs, fines, and other fees imposed by regulatory agencies or contracting partners as a result of the Data Breach or Security Incident.
- B. If Supplier will NOT under this agreement create, obtain, transmit, use, maintain, process, or dispose of the subset of Sensitive State Data known as Personally Identifiable Information, the following provisions apply: In addition to any other remedies available to the State under law or equity, Supplier will reimburse the State in full for all costs reasonably incurred by the State in investigation and remediation of any Data Breach or Security Incident caused by Supplier.

#### **V. SECURITY**

- A. Data Center Audit. If applicable in the provision of the goods and services covered by this Agreement, Supplier shall ensure an independent audit or provide ISO 27001 certification of its data centers at least annually at its expense and provide a copy of the audit report upon request. A Service Organization Control (SOC) 2 Type II audit report or approved equivalent (the ISO 27001 certification, State RAMP certification, or FedRAMP certification) sets the minimum level of a third-party audit.
- B. Security Processes. Supplier shall disclose its non-proprietary security processes and technical limitations to the State such that adequate protection and flexibility can be attained between the State and Supplier.
- C. Encryption of Data at Rest. For data categorized as moderate or high in Federal Information Processing Standard 199, Supplier shall ensure confidentiality and integrity of information at rest consistent with security control SC-28, Protection of Information at Rest, using control enhancement 1, Cryptographic Protection, in NIST Special Publication 800-53.

#### **VI. RESPONSE TO LEGAL ORDERS, DEMANDS, OR REQUESTS FOR DATA**

**A.** Except as otherwise expressly prohibited by law, Supplier shall:

1. Immediately notify the State of any subpoenas, warrants, or other legal orders, demands or requests received by Supplier seeking Sensitive State Data;
2. Consult with the State regarding its response;
3. Cooperate with the State's reasonable requests in connection with efforts by the State to intervene and quash or modify the legal order, demand or request; and
4. Upon the State's request, provide the State with a copy of its response.

**B.** If the State receives a subpoena, warrant, or other legal order, demand (including request pursuant to the Georgia Open Records Act) or request seeking Sensitive State Data maintained by Supplier, the State shall promptly provide a copy to Supplier. Supplier shall promptly supply the State with copies of data required for the State to respond and shall cooperate with the State's reasonable requests in connection with its response.

**VII. TERMINATION OBLIGATIONS**

**A.** Upon termination or expiration of the Agreement, Supplier shall implement In the State's sole discretion, a secure, orderly (1) destruction of, or (2) return of Sensitive State Data in the format and at a time specified by State. Transfer to State or a third party designated by State shall occur without significant interruption of service and, to the extent technologically feasible, State shall have access to Sensitive State Data during the transfer. Following such transfer, Supplier shall securely destroy Sensitive State Data in its possession or control. Supplier shall not destroy any Sensitive State Data that has not been returned to State in the event of ongoing contract or other disputes between the parties or for so long as amounts remain payable by State.

**B.** Destroyed Sensitive State Data shall be permanently deleted and shall not be recoverable in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88, Guidelines for Media Sanitization, using the purge method from Appendix A, Minimum Sanitization Recommendations, for the type of media being purged. Certificates of destruction shall be provided to the State. Supplier may retain a copy of Sensitive State Data if necessary to comply with law or its applicable professional standards.

## VIII. COMPLIANCE

- A. Supplier shall comply with all applicable laws and industry standards in providing goods and services under this agreement. Any Supplier personnel visiting the State's facilities will comply with all applicable State policies regarding access to, use of, and conduct within such facilities. The State shall provide copies of such policies to Supplier upon request.
  - B. Supplier warrants that in providing goods and services to the State it is fully compliant with relevant laws, regulations, and guidance that may be applicable to the goods and services such as: the Family Educational Rights and Privacy Act (FERPA), Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology for Economic and Clinical Health Act (HITECH), Gramm-Leach-Bliley Financial Modernization Act (GLB), Payment Card Industry Data Security Standards (PCI-DSS), Americans with Disabilities Act (ADA), Federal Export Administration Regulations, and Defense Federal Acquisitions Regulations.
  - C. If the Payment Card Industry Data Security Standards (PCI-DSS) are applicable to the goods and services provided to the State, Supplier shall, upon written request, furnish proof of compliance with PCI-DSS within 10 business days of the Request.
- IX. **Web Accessibility.** As applicable to the Supplier goods and services being provided under the Contract, Supplier agrees that:
- A. Such goods and services comply with and shall remain in compliance with all applicable federal disability laws and regulations;
  - B. Such goods and services, as applicable, conform with the prevailing Web Content Accessibility Guidelines (WCAG) Standards to AA level-currently WCAG 2.1 AA where required by law, regulation, or state policy
  - C. Supplier shall maintain, retain, and provide to the State upon request its accessibility testing results and written documentation verifying accessibility in a Voluntary Product Accessibility Template (VPAT);
  - D. Supplier shall permit the State to conduct an accessibility audit by any auditor of the State's choice, which audit may only be initiated if the State has a good faith belief that Supplier's goods or services do not meet applicable laws, regulations, and policies as set forth in this Section and which audit shall be limited to a review of Supplier's documentation set forth in subsection (iii) above, and Supplier shall use commercially reasonable efforts to timely respond to, resolve, and remediate at no cost to the State any product features that the State demonstrates do not meet applicable law, regulation, or policy regarding accessibility of its products and services as set forth in this Section;