KingCounty

Finance and Business Operations Division
Procurement and Contracts Services Section
Department of Executive Services

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CONTRACTOR:
PORTLAND PRECIS INST & REP CO
18040 72ND AVE S

KENT, WA 98032 United States
Fax: (800) 2519722

CONTRACT

CONTRACT NO.	REVISION	PAGE
5529978	1	1 of 1

CREATION DATE	BUYER
28-DEC-2012	JANET HARJO
DATE OF REVISION	**BUYER**
03-JAN-2013	JANET HARJO

SHIP TO:
KC DES FBOD PCSS GOODS AND SERVICES
401 5TH AVE, CNK-ES-0340
SEATTLE, WA 98104

BILL TO:
KC DES FBOD ACCOUNTS PAYABLES
401 5TH AVE, CNK-ES-0320
SEATTLE, WA 98104

CONTRACTOR NO	PAYMENT TERMS	FREIGHT TERMS	FOB	SHIP VIA	CONFIRM TO
6253	NET30DAYS	Paid	DESTINATION	Seller Chooses	Telephone: (800) 558-5368

DESCRIPTION

TERM PURCHASE AGREEMENT

FURNISH SURVEY AND MAPPING EQUIPMENT AND SUPPLIES AS REQUESTED BY VARIOUS AUTHORIZED KING COUNTY DEPARTMENTS, DIVISIONS AND AGENCIES, DURING THE PERIOD DECEMBER 1, 2012 THROUGH NOVEMBER 30, 2014, IN ACCORDANCE WITH WASHINGTON STATE CONTRACT NUMBER 07812, INCORPORATED BY REFERENCE AS IF FULLY SET FORTH HEREIN.

ESTIMATED ANNUAL CONTRACT VALUE: $15,000.00

Authorized Signature

State of Washington
Department of Enterprise Services, Master Contracts & Consulting (MCC)

Contract #07812 For Survey and Mapping Equipment & Supplies
Contractor: The PPI Group

Effective Date: December 1, 2012
Revision Date: November 30, 2012

Contract Administrator: Robert Paulson, Jr., Contracts Specialist
Phone: (360) 407-9430 E-mail: Robert.Paulson@des.wa.gov

CONTRACTOR INFORMATION AND PRICING

1. **Company Name**: The PPI Group
   Address: 18040 72nd Avenue S.
   City: Kent State: Washington Zip: 98032
   Phone: (425) 251-9722 FAX: (425) 251-5482
   Washington State Department of Revenue Registration Tax number: 600 503 891
   Federal Tax ID No.: 93-0609421
   Company Internet URL Address: www.theppigroup.com

2. **Legal Status of the Contractor:** Corporation

3. **Contractor's Authorized Representative:**
   Name& Title: Ken Shersty, Vice President
   Phone: (425) 251-9722 FAX: (425) 251-5482 E-mail: kens@theppigroup.com

4. **Orders to be sent to:**
   Company Name: The PPI Group
   Address: 18040 72nd Avenue S.
   City: Kent State: Washington Zip: 98032
   Phone: (800) 558-5368 FAX: (425) 251-9722 E-mail: kens@theppigroup.com
   Internet address for company: www.theppigroup.com

5. **Billing will be from:**
   Company Name: The PPI Group
   Address: 6015 NE 80th Avenue
   City: Portland State: Oregon Zip: 97218
   Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: heatherc@ppigroup.com

6. **Payment to be sent to:**
   Company Name: The PPI Group
   Address: 6015 NE 80th Avenue
   City: Portland State: Oregon Zip: 97218
   Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: trisha@ppigroup.com

7. **Minority/Women Owned Business (MWBE):** No:

8. **Purchasing Cooperative Members:** (Ref. Section 1.6 of the Contract)

CONTRACTOR INFORMATION AND PRICING

A. **Washington State Political Subdivision:** Contractor agrees to sell the goods and services on this contract to political subdivisions which are members of the State of Washington Purchasing Cooperative (WSPC): Yes

B. **Washington State Nonprofit Corporations:** Contractor agrees to sell the goods and services on this contract to nonprofit corporations which are members of the State of Washington Purchasing Cooperative (WSPC): Yes

C. **Oregon Purchasing Cooperative Purchasing Program:** Contractor agrees to sell the goods and services on this contract to political subdivisions and nonprofit organizations which are members of the State of Oregon Cooperative Purchasing Program (ORCPP): Yes

If required, indicate percent increase to bid pricing for delivery to State of Oregon DASCPP/ORCPP Members: 0%

9. **Brand of Equipment Offered:** Contractor is offering to supply and service the following brand of survey equipment: (Trimble, Leica, or Topcon).

Manufacturer Name: Topcon

Manufacturer Corporate Office (USA)

Address: 7400 National Drive

City/State: Livermore, California 94550

Telephone number: (800) 443-4567

10. **Contractor's and/or product manufacturer's Internet website** listing contract products and reference price lists:

Contractor's Internet website: www.theppigroup.com
Manufacturer's Internet website: www.topconpositioning.com

11. **Order Lead-Time:**

Orders for materials, equipment, supplies, or service currently in Contractor's inventory shall be delivered to customer within 5 calendar days after receipt of order (ARO).

Orders for materials, equipment, supplies, or service not currently in Contractor's inventory and require placing an order with the manufacturer shall be delivered to customer within 15 calendar days after receipt of order (ARO).

12. **Bidder's Company Experience and History:** The PPI Group has been servicing the Pacific Northwest community since 1927 with offices in Kent, Washington and Portland, Oregon. The PPI Team consists of over 40 persons and we have technical specialists to help you find a solution to your survey or software requirements. Both offices feature full Service Repair Centers, as well as complete state of the art training facilities. We also have portable labs should you choose to do your training off-site. Our Service technicians have well over 150 years of service experience to meet the needs of today's demanding technologies. Equipment today is very technical and PPI Group prides itself in being able to offer and service complete field to finish solutions. We pride ourselves in the ability to adapt to emerging technologies and offer the support and training that clients have come to expect from Survey Solutions provider.

CONTRACTOR INFORMATION AND PRICING

13. Customer Training Plan:

The PPI Group has several Application Engineers as part of the training programs that we offer. The PPI Group has the ability to offer introductory training at time of installation as well as custom training to meet the needs of the organization. The PPI Group has developed curriculum that allows for complete field to finish production of Survey Data allowing for complete mapping in the field by the Surveyor. The PPI Group also offers customization of training programs to meet the software challenges that organizations face when trying to incorporate their data into different Software Design Packages such as Autodesk Civil3D. As each customer has unique needs, we choose to scope a training opportunity and cater to the customer's needs, to make sure of complete satisfaction of the purchase

14. Firmware/Software Upgrades:

Firmware and Software upgrades become available at different times throughout the year. PPI Technical experts check out each new upgrade before informing our clients of the new upgrades to help alleviate any problems. Pricing for upgrades is different for each piece of equipment purchase through Topcon/PPI Group. Pricing for upgrades is free while units are still under warranty.

15. Equipment Warranty: A copy of the equipment warranty is available from the Contractor upon request.

16. Warranty and Repair Stations:

Company Name: The PPI Group
Address: 18040 72nd Avenue S., Kent, Washington 98032
Phone: (425) 251-9722 FAX: (425) 251-5482 E-mail: alexs@theppigroup.com

Company Name: The PPI Group
Address: 6015 NE 80th Avenue, Portland, Oregon 97218
Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: tede@theppigroup.com

17. Equipment Return Policy:

PPI Group will charge a 15% restocking fee plus additional shipping charges should products be returned for restocking. Shipping charges will be based on the cost for shipping to the original destination of the order.

18. Sales Representatives and Territories Covered:

A. Name: Collin McCoy
Address: 18040 72nd Avenue S., Kent ,Washington 98032
Office Phone: (425) 251-9722 Mobile Phone: (360) 303-5739
FAX: (425) 251-5482 E-mail: collinm@theppigroup.com
Territory covered: I-90 North to Canada Border and East to Spokane and Idaho panhandle.

B. Name: Ken Shersty
Address: 18040 72nd Avenue S., Kent ,Washington 98032
Office Phone: (425) 251-9722 Mobile Phone: (425) 879-8215
FAX : (425) 251-5482 E-mail: kens@theppigroup.com
Territory covered: I-90 South to Central Washington along I-5 corridor to Coastline

C. Name: Dan Pacholl/Paul Rydell
Address: 6015 NE 80th Avenue, Portland, Oregon 97218

CONTRACTOR INFORMATION AND PRICING

Office Phone: (503) 231-1576 Mobile Phone: (971) 409-6845 / (503) 913-8880
FAX: (503) 231-4012 E-mail: danielp@theppigroup.com / paulr@theppigroup.com
Territory covered: Southern Washington and Oregon

19. Contract Support

- Telephone Sales Service: Toll-free telephone numbers for over-the-phone customer service regarding products and services available through this contract. (800) 558-5368
- Technical Customer Support: Toll-free telephone number for use during normal business hours for customers to use for technical support and equipment/service problem solving. (800) 558-5368 or (800) 247-1927
- Order Development: Contractor provided telephone customer assistance in identifying survey performance requirements, order development problems, and written price quotes for equipment, service and supplies. (800) 558-5368 or (800) 247-1927

20. Subcontractor(s): N/A

SPECIFICATIONS

The survey equipment and supplies offered and described herein shall meet the manufacturer's product specifications and contract award shall include the manufacturer's full product line for survey and mapping equipment, high definition survey equipment, and related supplies.

PRICE SHEETS

1. Payment Methods and Term:
Payment Terms: Net 30 days. Purchasing (charge) Cards accepted: Yes. Contractor accepts: VISA, MasterCard, American Express, and Discover

2. Discounts Off Manufacturer's Price List:

A. Topcon brand survey and GPS equipment and components/parts:
A fixed 5% discount off "Topcon Retail Price List" shall be applied for all categories of survey equipment and components/parts. A fixed 2.5% discount shall be applied to Topcon Scanning Equipment and associated accessories.

For high definition survey equipment a 2.5% discount shall be applied off "Topcon Retail Price List."

B. Allegro brand data collector: 5% discount off the price listed for Juniper systems Handheld Price List". Additionally, a 5% discount off the Topcon brand of data collector as shown in the price list for "Topcom Retail Price List" shall apply.

C. Carlson SurvCE software: 10% discount off "Carlson Software Retail Price List" shall be applied. Additionally, a 5% discount off the Topcom brand of software shall apply as shown in the Topcom Retail Price List – MAGNET Software".

E. Other supplemental equipment and supplies commonly ordered at the same time shall be available through this contract on an optional basis at the following discount:

CONTRACTOR INFORMATION AND PRICING

- 15% discount – brand: Seco Manufacturing
- 2.5% discount – brand: FARO Scanners and Accessories
- 15% discount – brand: JL Darling Rite in Rain
- 15% discount – brand: Dutch Hill Tripods
- 10% discount – brand: Schonstedt Magnetic Locators
- 10% discount – brand: PPI Group Miscellaneous Survey Supplies
- 15% discount – brand: Keson Measuring Tapes and Measuring Wheels
- 15% discount – brand: Lufkin Measuring Tapes
- 10% discount – brand: Carlson Non SurvCE Software Products
- 5% discount – brand: Juniper Systems Non Allegro Data Collectors
- 5% discount – brand: Sokkia survey and supplies

F. Maintenance and Repair Parts shall be provided at a 5% discount off Contractor's standard list of prices/charges.

G. Maintenance and Repair Service/Labor shall be provided at a 10% discount off Contractor's standard list of prices/charges

H. Training charges shall be provided through this contract for operation of survey equipment and software: (Reference Section 6.16 for more information)

- **2 hours initial training provided on new equipment at no additional charge.**
- **6 hours of additional new equipment training to supplement 2-hour free training session: $900.00.**
- **General hourly rate for training at customer site on customer's equipment:** $150.00/hour
- **Daily rate for training at customer site on customer's equipment:** $1,200.00*
- **Daily rate for training at contractor site on Contractor's equipment:** $2,400.00*

All travel and per diem costs are included in above training rates for instructors who reside within the States of Washington and Oregon. Travel and per diem costs for instructors who reside out-of-state are billable and negotiated with the customer on a case by case basis.

* Training equipment provided by either the customer or Contractor includes survey instruments, data collectors, and computers as needed. Training sessions will be limited to a maximum of 12 students, unless otherwise negotiated between the customer and the Contractor.

State of Washington
Department of Enterprise Services
Master Contracts & Consulting (MCC)

Contract #07812 with The PPI Group For Survey and Mapping Equipment & Supplies

Under the Authority of
State of Washington, Chapter 43.19 RCW

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1.0 OVERVIEW

1.1 CONTRACT SCOPE

The purpose of this Contract is the purchase of survey and mapping equipment and related supplies primarily to meet the needs of the Washington State Department of Transportation (WSDOT). The Contract will supply total stations, electronic levels, survey grade GPS, mapping grade GPS, electronic data collectors, and associated software, equipment, and supplies necessary for surveying and inventory mapping operations. High definition scanning equipment is not included but may be added to the Contract during its term at the state's option.

WSDOT has a substantial investment in survey equipment manufactured by Trimble, Topcon, and Leica and this Contract is intended to support the state's current imbedded base of these equipment brands for the purposes of standardization and integration of new equipment with existing equipment.

WSDOT has standardized on the Allegro data collector with Carlson SurvCE software for operating survey grade instruments. However, to meet the needs of other contract customers the data collector and software offered by the survey equipment manufacturer may also be included in this Contract.

1.2 CONTRACT SCOPE AND MODIFICATIONS

The MCC reserves the right to modify this Contract by mutual agreement between the MCC and the Contractor, so long as such modification is substantially within the scope of the original Contract. Such modifications will be evidenced by issuance of a written authorized amendment by the Contract Administrator.

1.3 RECITALS

The state of Washington acting by and through MCC, issued an Invitation for Bid for the purpose of purchasing survey and mapping equipment, high definition scanning equipment, and supplies in accordance with its authority under Chapter 43.19 RCW.

The PPI Group submitted a timely Response to the MCC's Solicitation (incorporated by reference).

The MCC evaluated all properly submitted Responses to the above-referenced IFB and has identified The PPI Group as one of the apparently successful Contractors.

The MCC has determined that entering into a Contract with The PPI Group will meet Purchaser's needs and will be in Purchaser's best interest.

NOW THEREFORE, MCC awards to The PPI Group this Contract, the terms and conditions of which shall govern Contractor's furnishing to Purchasers the survey and mapping equipment and supplies identified herein for. This Contract is not for personal use.

IN CONSIDERATION of the mutual promises as hereinafter set forth, the parties agree as follows:

1.4 ESTIMATED USAGE

Based on past and/or projected future usage, it is estimated that aggregate purchases of all brands of survey and mapping equipment and supplies over the initial two (2) year term of the Contract may approximate $1,800,000. Orders will be placed by Purchasers only on an as-needed basis.

The State of Washington does not represent or guarantee any minimum level of purchase.

1.5 CONTRACT TERM

The initial term of this Contract is for two (2) years from the effective date of the Contract with the option to extend for additional term(s) or portions thereof. Extension for each additional term shall be offered at the sole discretion of the MCC and are subject to written mutual agreement. The total Contract term, including the initial term and all subsequent extensions, shall not exceed six (6) years unless an emergency exists and/or special circumstances require a partial term extension. The MCC reserves the right to extend with all or some of the Contractors, solely determined by the MCC.

1.6 PURCHASERS

General Use

This Contract may be used by members of the Washington State Purchasing Cooperative (WSPC) including where applicable: State Agencies, Institutions of Higher Education, Political Subdivisions, and Non-Profit Corporations.

While use of the contract by Political Subdivisions and Non-Profit Corporations that are members of the WSPC and ORCPP members is optional, the MCC encourages them to use state contracts. Their use of the contracts may significantly increase the purchase volume. Their orders are subject to the same contract terms, conditions and pricing as state agencies. MCC accepts no responsibility for orders or payment by WSPC members. A list of WSPC members is available at http://www.ga.wa.gov/PCA/SPC.htm

A list of current authorized ORCPP members is available at:

http://oregon.gov/DAS/EGS/PS/docs/orcpp/orcpp-member-list.pdf

Purchases by Nonprofit Corporations

Legislation allows nonprofit corporations to participate in State contracts for purchases administered by Master Contracts & Consulting (MCC). By mutual agreement with MCC, the Contractor may sell goods or services at contract pricing to self certified nonprofit corporations. Such organizations purchasing under this Contract shall do so only to the extent they retain eligibility and comply with other contract and statutory provisions. The Contractor may make reasonable inquiry of credit worthiness prior to accepting orders or delivering goods or services on contract. The State accepts no responsibility for payments by nonprofit corporations. Their orders are subject to the same contract terms, conditions and pricing as state agencies

2.0 CONTRACT ADMINISTRATION

2.1 MCC CONTRACT ADMINISTRATOR

MCC shall appoint a single point of contact that will be the Contract Administrator for this Contract and will provide oversight of the activities conducted hereunder. The Contract Administrator will be the principal contact for Contractor concerning business activities under this Contract. MCC will notify Contractor, in writing, when there is a new Contract Administrator assigned to this Contract.

2.2 ADMINISTRATION OF CONTRACT

MCC will maintain Contract information and pricing and make it available on the DES web site.

2.3 CONTRACTOR SUPERVISION AND COORDINATION

Contractor shall:

1. Competently and efficiently, supervise and coordinate the implementation and completion of all Contract requirements specified herein;
2. Identify the Contractor's Representative, who will be the principal point of contact for the MCC Contract Administrator concerning Contractor's performance under this Contract.
3. Immediately notify the Contract Administrator in writing of any change of the designated Contractor's Representative assigned to this Contract; and
4. Violation of any provision of this paragraph may be considered a material breach establishing grounds for Contract termination.
5. Be bound by all written communications given to or received from the Contractor's Representative.

2.4 POST AWARD CONFERENCE

The Contractor may be required to attend a post award conference scheduled by the Procurement Coordinator to discuss Contract performance requirements. The time and place of this conference will be scheduled following Contract award.

2.5 CONTRACT MANAGEMENT

Upon award of this Contract, the Contractor shall:

1. Review the impact of the award and take the necessary steps needed to ensure that contractual obligations will be fulfilled.
2. Promote and market the use of this Contract to all authorized contract Purchasers.
3. Ensure that those who endeavor to utilize this Contract are authorized Purchasers under the terms and conditions of this Contract.
4. At no additional charge, assist Purchasers in the following manner to make the most cost effective, value based, purchases including, but not limited to:
   a) Visiting the Purchaser's site and providing them with materials/supplies/equipment recommendations.
   b) Providing Purchasers with a detailed list of Contract products and services including current Contract pricing.
5. The Contractor shall designate a customer service representative who will be responsible for addressing Purchaser issues including, but not limited to:
   a) Logging requests for service, ensuring equipment repairs are completed in a timely manner, dispatching service technicians, and processing warranty claim documentation.
   b) Providing Purchasers with regular and timely status updates in the event of an order or repair fulfillment delay.
6. Acting as the lead and liaison between the manufacturer and Purchaser in resolving warranty claims for Contract items purchased.

2.6 CHANGES

For survey equipment there must be a manufacturer authorized warranty and repair station located in the state of Washington or Portland, Oregon area. However, changes to point of contact information may be updated without the issuance of a mutually agreed Contract Amendment.

2.7 WASHINGTON'S STATEWIDE VENDOR PAYMENT REGISTRATION

Contractors are required to be registered in the Statewide Vendor Payment system, prior to submitting a request for payment from Purchasers located within the state of Washington under this Contract. Purchasers who are Washington state agencies require registration to be completed prior to payment.

The Washington State Office of Financial Management (OFM) maintains a central contractor registration file for Washington State agencies to process contractor payments.

To obtain registration materials go to http://www.ofm.wa.gov/accounting/vendors.asp the form has two parts; Part 1 is the information required to meet the above registration condition. Part 2 allows the state to pay invoices electronically with direct deposit and is the state's most efficient method of payment and you are encouraged to sign up for this form of payment.

2.8 SALES & SUBCONTRACTOR REPORTS

The Contractor shall provide a Sales and Subcontractor Report to the Master Contracts & Consulting on a quarterly basis in the electronic format provided by the Master Contracts & Consulting at: https://fortress.wa.gov/ga/apps/CSR/Login.aspx.

Reports must be submitted electronically within thirty (30) days after the end of the calendar quarter, i.e., no later than April 30th, July 31st, October 31st and January 31st.

2.9 OTHER MCC REQUIRED REPORT(S)

All MCC required reports under this Contract must be delivered to the Contract Administrator. Contractor may be required to provide a detailed annual Contract sales history report that may include but is not limited to product/service description, per unit quantities/services supplied, Contract price in an electronic format that can be read by MS Excel. Other required reports will be designed and approved by the parties by mutual agreement.

2.10 WASHINGTON'S ELECTRONIC BUSINESS SOLUTION (WEBS)

Contractor shall be registered in the Contractor registration system, Washington's Electronic Business Solution (WEBS) www.ga.wa.gov/webs, maintained by the Washington State Department of Enterprise Services. Contractors already registered need not re-register. It is the sole responsibility of Contractor to properly register with WEBS and maintain an accurate Contractor profile in WEBS.

3.0 PRICING

3.1 PRICE PROTECTION

Contractor warrants that prices of materials, supplies, services, and/or equipment set forth herein do not exceed those charged by the Contractor to any other customer purchasing the same under similar conditions and in like or similar quantities.

3.2 NO ADDITIONAL CHARGES

Unless otherwise specified herein, no additional charges by the Contractor will be allowed including, but not limited to: handling charges such as packing, wrapping, bags, containers, reels; or the processing fees associated with the use of credit cards. Notwithstanding the foregoing, in the event that market conditions, laws, regulations or other unforeseen factors dictate, at the Contract Administrators sole discretion, additional charges may be allowed.

3.3 VOLUME/PROMOTIONAL DISCOUNTS

Contract price discounts and resulting net prices are the maximum or ceiling prices Contractor can charge. However, the Contractor may offer Purchasers an additional level of price discount for volume orders or for promotional programs.

3.4 CONTRACT PRICES

During the term of the Contract the Purchaser's/Customer's net purchase price for equipment, products and services shall be determined by applying the Contract percentage discount off of the published manufacturer's price list (or the Contractor's established price list in the absence of a manufacturer price list for the product or service). Contractor shall provide the Purchaser upon request, a copy of the applicable price list at no charge.

3.5 PRICE ADJUSTMENTS

At least sixty (60) calendar days before the end of the current term of this Contract and subsequent extension periods, Contractor may propose purchase price/rate increases (through a lowering of percentage discounts) by written notice to the MCC's Contract Administrator. Price adjustments may be taken into consideration by the MCC's Contract Administrator when determining whether to extend this Contract.

Price increases will not be considered without supporting documentation sufficient to justify the requested increase. Contractor shall provide a detailed breakdown of their costs upon request.

During any term of the Contract if lower prices and rates become effective for like quantities of Products under similar terms and conditions, through reduction in manufacturer's or Contractor's list prices, promotional discounts, or other circumstances, Purchasers must be given immediate benefit of such lower prices and rates.

Contractors shall not make Contract extensions contingent on price adjustments.

Documentation must be based on published indices, such as the Producer Price Index and/or the result of increases at the manufacturer's level, incurred after contract commencement date. The grant of any price adjustment will be at the sole discretion of the MCC and, if granted, shall not produce a higher profit margin for the Contractor than that established by the original contract pricing. The Contractor shall be notified in writing by the Contract Administrator of any price adjustment granted by the MCC, and such price adjustment shall be set forth in a written Amendment to the Contract.

4.0 CONTRACTOR QUALIFICATIONS AND REQUIREMENTS

4.1 ESTABLISHED BUSINESS

Prior to commencing performance, or prior to that time if required by the MCC, law or regulation, Contractor must be an established business firm with all required licenses, fees, bonding, facilities, equipment and trained personnel necessary to meet all requirements and perform the work as specified in the Solicitation. Contractor shall maintain compliance with these requirements throughout the life of this Contract.

The MCC reserves the right to require receipt of proof of compliance with said requirements within five (5) calendar days from the date of request, and to terminate this Contract as a material breach for noncompliance with any requirement of this paragraph.

4.2 DEALER AUTHORIZATION

The Contractor, if other than the manufacturer, shall provide upon request a current, dated, and signed authorization from the manufacturer that the Contractor is an authorized distributor, dealer or service representative and is authorized to sell and service the manufacturer's products. Failure to provide such authorization upon request will result in Contract cancellation.

4.3 DESCRIPTIVE LITERATURE

Contractor shall furnish to Purchasers upon request and at no additional charge product catalogs and/or descriptive literature for the equipment and services being offered. Failure to do so may cause the Contractor to be in default of this performance requirement.

4.4 EQUIPMENT DEMONSTRATION

During the term of the Contract the Contractor may be requested by a Purchaser to provide an on-site demonstration of the equipment and services available through this Contract. Such demonstration(s) shall be provided at no additional charge or cost to the Purchaser at a mutually agreed upon date and location.

4.5 REPAIR PARTS AND SERVICES

All materials or equipment provided during warranty service shall be new and unused (or like new with no blemishes or defects), of the latest model or design and of recent manufacture. Repairs completed after the warranty period may be used or reconditioned materials or equipment, but only if authorized and approved prior to initiation of the work as allowed by Purchaser. The Contractor must be capable of and will be liable for providing repair parts and supply support for a period of ten (10) years after the delivery date of the equipment.

During warranty period the Contractor may, upon notification of a warranty failure, authorize purchaser equipment repair technicians to make warranty repairs when it is advantageous to purchaser and the Contractor. The Contractor shall reimburse purchaser for all costs associated with the warranty repair.

4.6 WARRANTY AND REPAIR STATIONS

There must be a manufacturer authorized warranty and repair station located in the state of Washington or Portland, Oregon area. The location and contact information for this warranty and repair facility have been provided in *Appendix B Contractor Information.*

During the warranty period Contractor must begin physical repairs on equipment failures within 72 hours (or as reasonable for the situation) after Purchaser has notified the Contractor of an equipment failure. Should the Contractor fail to begin equipment repairs within 72 hours (or as reasonable for the situation) after notification, purchaser may elect (based on operational requirements) to make the warranty repairs. Should purchaser elect to make such warranty repairs, the Contractor agrees to fully reimburse purchaser for all parts, materials, labor, shipping and travel costs incurred by purchaser for such warranty repairs. Purchaser shall provide Contractor with a detailed invoice, and Contractor agrees to remit payment to the purchaser within thirty days (30) after receipt of the invoice.

4.7 NEW PRODUCTS/SERVICES

A Contractor may propose a revision to its Contract offerings to reflect technical product upgrades or other changed products and/or services appropriate to the scope of the Contract. These proposed new products/services with associated pricing and discounts already established in the Contract may

be provided to the MCC Contract Administrator for approval. Contract Administrator has the sole discretion to accept or reject such product/service offerings and pricing. New or changed products/services proposed by Contractor must meet the requirements established for products already included in the Contract. If approved by MCC, the new products/services may be added to the Contract by written amendment.

4.8 CUSTOMER SERVICE AND SUPPORT

1. Sales Representatives: Contractor will provide professional sales representatives that are courteous and knowledgeable about the products supplied through this Contract. Sales contacts will only be with customer's designated staff.
2. Telephone Sales Service: Contractors shall provide at no additional charge, over-the-phone customer service regarding products and services available through this Contract.
3. Technical Customer Support: Contractor's toll-free telephone number shall be staffed during normal business hours (8:00 a.m. to 5:00 p.m. Pacific Standard Time) for customers to use for technical support and equipment/service problem solving. Callers must be provided assistance with problem determination and resolution, and scheduling and status of repairs. Contractor must follow-up within four (4) working hours of receipt of customer's call. A request for technical assistance or support on equipment or software shall be responded to within four (4) working hours of request by professional and knowledgeable technical support staff.
4. Order Development: Within 48 hours of request, Contractor will respond by telephone to provide customer assistance with identifying survey performance requirements and/or order development, including equipment bundling and pricing of Contract equipment. Additionally, at the customer's request, the Contractor will provide a written quote, in the form of an email or fax, which lists all equipment, supplies or services mentioned in the order development. This quote should include a line item description of each component, pricing and an expected delivery date after receipt of order.

4.9 SERVICE AND MAINTENANCE SUPPORT

A. Service Technicians: Contractor shall have a service organization staffed by their full-time employees. All warranty or maintenance services to be performed on Contract equipment as well as any associated hardware or software shall be performed by manufacturer certified technicians properly trained and/or authorized to perform such services.

B. Maintenance: Maintenance is defined as the service required to maintain Contract equipment at performance levels equal to or greater than the performance specified and published by the equipment manufacturer.

C. Repair Parts: In the event that the performance of maintenance services under the Contract results in a need to replace defective parts, such items may only be replaced by new parts. In no instance shall the Contractor be permitted to replace defective parts or components with refurbished, remanufactured, or surplus items without prior written authorization of the customer. The Contractor must maintain an adequate supply of spare parts and components.

D. Repair Services: Equipment repairs shall be completed and equipment shall be returned pre-paid by Contractor to the customer within 72 hours of receipt of equipment; or at customer's request Contractor must provide a free loaner that performs the same functions as the equipment being repaired.

E. Costs: Maintenance costs for parts and service after the warranty period shall be charged at Contractor's standard published prices, less any applicable Contract discounts.

4.10 TRAINING ON EQUIPMENT

Contractor shall provide Purchasers up to two (2) hours free on-site training at the time of equipment delivery or by appointment within five (5) working days after Purchaser requests training. Such training shall be provided at no additional charge to the customer. Bidders are to include a customer training plan and a description of training resources in *Appendix B Contractor Information.* All new equipment must be operational, properly set up by the Contractor according to Section 4.12 below, and ready to use prior to beginning the training session. The training session will be rescheduled with the customer in the event the equipment isn't set up properly prior to the training, or fails to operate correctly during the training session.

4.11 OPERATOR MANUAL

Instruction and maintenance manuals shall be furnished for all delivered Contract equipment and software. The most current manual must be provided at no cost upon customer request. Manuals shall contain, but not be limited to the following:

- A section describing the capability of the equipment.
- A section on equipment specifications.
- A section describing operating instructions.
- A section describing the use of the equipment.
- A section describing general maintenance instructions.
- A section describing software installation and user guides (if applicable).

4.12 NEWLY DELIVERED EQUIPMENT PERFORMANCE

All new equipment must be operational and ready to use at time of delivery with the following items setup by the Contractor: (Refer to the note in *Section 4.10, Training on Equipment* for additional information.)

- Customer requested version of software installed on data collectors.
- DOT radio frequencies installed on GPS equipment for WSDOT customers.
- Latest firmware installed on all electronic equipment.
- All batteries fully charged.

Purchaser will evaluate the performance of newly delivered survey equipment for a 90 day period after delivery. If the equipment's performance is unsatisfactory, the Purchaser will immediately contact the Contractor to pursue corrective action and resolution of the problem. Problem resolution may result in:

- The replacement of the equipment with another piece of equipment of the same brand and model, at no additional cost to the customer, or
- The delivery of an upgraded model of the same brand from the same Contractor at no additional cost to the customer, or
- Return of the survey equipment and cancellation of the order at no charge to the Purchaser.
- Other problem resolution mutually agreed to between customer and Contractor.

4.13 EXCESSIVE SERVICE AND DOWNTIME

Survey equipment that develops a trend of requiring an excessive number of service calls or repairs shall be reported by the customer to the Contractor.

Purchaser shall have the option to have individual equipment items replaced at no additional cost if more than three (3) warranty service calls occur within six (6) months of delivery date of new or replaced equipment. Replaced equipment will be new and shall meet all applicable manufacturer specifications.

4.14 LOANER EQUIPMENT

At customer's request loaner equipment will be provided at no charge for any repairs required during the first year and during any extended warranty period.

Loaner equipment does not have to be the same model, but must perform the same functions as the equipment being repaired. The Contractor shall be responsible for any shipping and delivery charges associated with providing equipment loaners.

4.15 USE OF SUBCONTRACTORS

In accordance with IFB requirements, Contractor agrees to take complete responsibility for all actions of its Subcontractors.

Prior to performance, Contractor shall identify all subcontractors who will perform services in fulfillment of Contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), and anticipated dollar value of each subcontract:

The MCC reserves the right to approve or reject any and all Subcontractors that are identified by the Contractor. Any Subcontractors not listed in the Bidder's Response, who are engaged by the Contractor, must be pre-approved, in writing, by the MCC.

Specific restrictions apply to contracting with current or former state employees pursuant to Chapter 42.52 RCW.

4.16 SUBCONTRACTS AND ASSIGNMENT

Contractor shall not Subcontract, assign, or otherwise transfer its obligations under this Contract without the prior written consent of the Contract Administrator. Contractor shall provide a minimum of thirty (30) calendar days advance notification of intent to Subcontract, assign, or otherwise transfer its obligations under this Contract. Violation of this condition may be considered a material breach establishing grounds for Contract termination. The Contractor shall be responsible to ensure that all requirements of the Contract shall flow down to any and all Subcontractors. In no event shall the existence of a Subcontract operate to release or reduce the liability of Contractor to the state for any breach in the performance of the Contractor's duties.

4.17 CONTRACTOR AUTHORITY AND INFRINGEMENT

Contractor is authorized to sell under this Contract, only those materials, supplies, services and/or equipment as stated herein and allowed for by the provisions of this Contract. Contractor shall not represent to any Purchasers that they have the contract authority to sell any other materials, supplies, services and/or equipment. Further, Contractor may not intentionally infringe on other established state contracts.

4.18 MATERIALS AND WORKMANSHIP

The Contractor shall be required to furnish all materials, supplies, equipment and/or services necessary to perform Contractual requirements. Materials, supplies and workmanship used in the construction of equipment for this Contract shall conform to all applicable federal, state, and local codes, regulations and requirements for such equipment, specifications contained herein, and the

normal uses for which intended. Materials, supplies and equipment shall be manufactured in accordance with the best commercial practices and standards for this type of materials, supplies, and equipment.

4.19 MERCURY CONTENT AND PREFERENCE

Contractor shall provide mercury-free products when available. Should mercury-free products not exist, contractors shall provide products with the lowest mercury content available. Contractor shall disclose products that contain added mercury and provide an explanation that includes the amount or concentration of mercury, and justification as to why added mercury is necessary for the function or performance of the product.

The MCC reserves the right to require receipt of proof of compliance with said requirements within ten (10) calendar days from the date of request, and to terminate this Contract as a material breach for noncompliance with any requirement of this paragraph.

5.0 DELIVERY REQUIREMENTS

5.1 ORDER FULFILLMENT REQUIREMENTS

Authorized Purchasers may place orders against this Contract either in person, electronically, facsimile or by phone. Once an order is issued, the following shall apply:

1. For purposes of price verification and auditing, upon receipt of a purchase order the Contractor shall send the Purchaser an order confirmation notification that identifies applicable Contract prices to be applied to the order.
2. Upon the request of the Purchaser, the Contractor shall supply Purchaser documentation needed to verify Contract pricing compliance. This requirement may include providing the Purchaser a copy of the manufacturer's/Contractor's price list for the item(s) to be ordered if net pricing is determined as a percentage off the reference price list.
3. Product damaged prior to acceptance will either be replaced or repaired in an expedited manner at Contractor's expense. Alternatively, at the Purchaser's option, any possible damage to the product can be noted on the receiving report and the cost deducted from final payment.

The Contractor is responsible to verify delivery conditions/requirements with the Purchaser prior to the delivery.

5.3 SHIPPING AND RISK OF LOSS

Contractor shall ship all Products purchased pursuant to this Contract, freight prepaid, FOB Purchaser's specified destination. The method of shipment shall be consistent with the nature of the Products and hazards of transportation. Regardless of FOB point, Contractor agrees to bear all risks of loss, damage, or destruction of the Products ordered hereunder that occurs prior to delivery, except loss or damage attributable to Purchaser's fault or negligence; and such loss, damage, or destruction shall not release Contractor from any obligation hereunder. After delivery, the risk of loss or damage shall be borne by Purchaser, except loss or damage attributable to Contractor's fault or negligence.

5.4 DELIVERY

Delivery of Products must be made during Purchaser's normal work hours and within time frames mutually agreed in writing between the Purchaser and Contractor at the time of order placement.

Failure to comply with agreed upon delivery times may subject Contractor to damages. The Purchaser may refuse shipment when delivered after normal working hours. The Contractor shall verify specific working hours of individual Purchasers and instruct carrier(s) to deliver accordingly. The acceptance by the Purchaser of late performance, with or without objection or reservation by the Purchaser, shall not waive the right to claim damage for such breach, nor preclude the MCC or Purchaser from pursuing any other remedy provided herein, including termination, nor shall such acceptance of late performance constitute a waiver of the requirements for the timely performance of any obligation remaining to be performed by Contractor.

All deliveries are to be made to the applicable delivery location as indicated in the Order Document. When applicable, the Contractor shall take all necessary actions to safeguard items during inclement weather. In no case shall the Contractor initiate performance prior to receipt of written or verbal authorization from authorized Purchasers. Expenses incurred otherwise shall be borne solely by the Contractor.

5.5 DELIVERY/ORDER LEAD-TIME

Contractor may ship orders from a local warehouse, a regional or national warehouse or from any combination of warehouses. The number of calendar days from order receipt by the Contractor until delivery of the order to the customer shall be identified of the order confirmation or acknowledgement document (reference Section 5.1 above), and the number of calendar days to complete order delivery shall not exceed the number of days specified in Appendix B Contractor Information for delivery lead-time, or as otherwise mutually agreed at the time of order placement.

5.6 SITE SECURITY

While on Purchaser's premises, Contractor, its agents, employees, or Subcontractors shall conform in all respects with physical, fire, or other security regulations.

5.7 INSPECTION AND REJECTION

The Purchaser's inspection of all materials, supplies and equipment upon delivery is for the purpose of forming a judgment as to whether such delivered items are what was ordered, were properly delivered and ready for Acceptance. Such inspection shall not be construed as final acceptance, or as acceptance of the materials, supplies or equipment, if the materials, supplies or equipment does not conform to contractual requirements. If there are any apparent defects in the materials, supplies, or equipment at the time of delivery, the Purchaser will promptly notify the Contractor. Without limiting any other rights, the Purchaser may require the Contractor to: (1) repair or replace, at Contractor's expense, any or all of the damaged goods; (2) refund the price of any or all of the damaged goods; or (3) accept the return of any or all of the damaged goods.

5.8 TITLE TO PRODUCT

Upon delivery and Acceptance, Contractor shall convey to Purchaser good title to the Product free and clear of all liens, pledges, mortgages, encumbrances, or other security interests.

Transfer of title to the Product shall include an irrevocable, fully paid-up, perpetual license to use the internal code (embedded software) in the Product. If Purchaser subsequently transfers title to the Product to another entity, Purchaser shall have the right to transfer the license to use the internal code with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchaser or Purchaser's transferee.

5.9 LABELING

Individual shipping cartons shall be labeled with the name of the ordering agency, order number, Contract number, Contractor, state stock numbers, and where applicable, date of manufacture, batch number, storage requirements, conditions, and recommended shelf life. Contractors are encouraged to offer product packaging with recycled content.

5.10 HAZARDOUS MATERIALS

"Right to know" legislation requires the Department of Labor and Industries to establish a program to make employers and employees more aware of hazardous substances in their work environment. Implementing Chapter 296-839 WAC requires that all manufacturers and distributors of hazardous substances, including any of the items listed in this Contract, must include a complete material safety data sheet (MSDS) for each hazardous material. Additionally, each container of hazardous materials must be appropriately labeled with:

1. The identity of the hazardous material,
2. Appropriate hazard warnings, and
3. Name and address of the chemical manufacturer, importer, or other responsible party

Labor and Industries may levy appropriate fines for noncompliance and agencies may withhold payment-pending receipt of a legible copy of MSDS. It should be noted that OSHA Form 20 is not acceptable in lieu of this requirement unless it is modified to include appropriate information relative to "carcinogenic ingredients" and "routes of entry" of the product(s) in question.

6.0 PAYMENT

6.1 ADVANCE PAYMENT PROHIBITED

No advance payment shall be made for the Products and Services furnished by Contractor pursuant to this Contract.

Notwithstanding the above, maintenance payments, if any, may be made on a quarterly basis at the beginning of each quarter.

6.2 IDENTIFICATION

All invoices, packing lists, packages, instruction manuals, correspondence, shipping notices, shipping containers, and other written materials associated with this Contract shall be identified by the Contract number and the applicable Purchaser's order number. Packing lists shall be enclosed with each shipment and clearly identify all contents and any backorders.

6.3 PAYMENT, INVOICING AND DISCOUNTS

Payment is the sole responsibility of, and will be made by, the Purchaser.

Contractor shall provide a properly completed invoice to Purchaser. All invoices are to be delivered to the address indicated in the purchase order.

Each invoice shall be identified by the associated Contract Number; the Purchaser's contract/purchase order number (as applicable), and shall be in U.S. dollars. Invoices shall be prominently annotated by the Contractor with all applicable prompt payment and/or volume discount(s) and shipping charges unless otherwise specified in the Solicitation. Hard copy credit memos are to be issued when the state has been overcharged.

Invoices for payment will accurately reflect all discounts due the Purchaser. Invoices will not be processed for payment, nor will the period of prompt payment discount commence, until receipt of a properly completed invoice denominated in U.S. dollars and until all invoiced items are received and satisfactory performance of Contractor has been accepted by the Purchaser. If an adjustment in payment is necessary due to damage or dispute, any prompt payment discount period shall commence on the date final approval for payment is authorized.

Under Chapter 39.76 RCW , if Purchaser fails to make timely payment(s), Contractor may invoice for 1% per month on the amount overdue or a minimum of $1.00. Payment will not be considered late if a check or warrant is mailed within the time specified. If no terms are specified, net 30 days will automatically apply. Payment(s) made in accordance with Contract terms shall fully compensate the Contractor for all risk, loss, damages or expense of whatever nature and acceptance of payment shall constitute a waiver of all claims submitted by Contractor. If the Purchaser fails to make timely payment(s) or issuance of credit memos, the Contractor may impose a 1% per month on the amount overdue.

Payment for materials, supplies and/or equipment received and for services rendered shall be made by Purchaser and be redeemable in U.S. dollars. Unless otherwise specified, the Purchaser's sole responsibility shall be to issue this payment. Any bank or transaction fees or similar costs associated with currency exchange procedures or the use of purchasing/credit cards shall be fully assumed by the Contractor.

6.4 TAXES, FEES AND LICENSES

Taxes:
Where required by statute or regulation, the Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. Unless otherwise indicated, the Purchaser agrees to pay State of Washington taxes on all applicable materials, supplies, services and/or equipment purchased. No charge by the Contractor shall be made for federal excise taxes and the Purchaser agrees to furnish Contractor with an exemption certificate where appropriate.

Collection of Retail Sales and Use Taxes:
In general, Contractors engaged in retail sales activities within the State of Washington are required to collect and remit sales tax to Department of Revenue (DOR). In general, out-of-state Contractors must collect and remit "use tax" to Department of Revenue if the activity carried on by the seller in the State of Washington is significantly associated with Contractor's ability to establish or maintain a market for its products in Washington State. Examples of such activity include where the Contractor either directly or by an agent or other representative:

1. Maintains an in-state office, distribution house, sales house, warehouse, service enterprise, or any other in-state place of business;
2. Maintains an in-state inventory or stock of goods for sale;
3. Regularly solicits orders from Purchasers located within the State of Washington via sales representatives entering the State of Washington;
4. Sends other staff into the State of Washington (e.g. product safety engineers, etc.) to interact with Purchasers in an attempt to establish or maintain market(s); or
5. Other factors identified in WAC 458-20 .

Department of Revenue Registration for Out-of-State Contractors:
Out-of-state Contractors meeting any of the above criteria must register and establish an account with the Department of Revenue. Refer to WAC 458-20-193, and call the Department of Revenue at

800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit "use tax," Purchasers located in the State of Washington are responsible for paying this tax, if applicable, directly to the Department of Revenue.

Fees/Licenses:
After award of Contract, and prior to commencing performance under the Contract, the Contractor shall pay for and maintain in a current status any licenses, fees, assessments, permit charges, etc., which are necessary for Contract performance. It is the Contractor's sole responsibility to maintain licenses and to monitor and determine any changes or the enactment of any subsequent regulations for said fees, assessments, or charges and to immediately comply with said changes or regulations during the entire term of this Contract.

Customs/Brokerage Fees:
Contractor shall take all necessary actions, including, but not limited to, paying all customs, duties, brokerage, and/or import fees, to ensure that materials, supplies, and/or equipment purchased under the Contract are expedited through customs. Failure to do so may subject Contractor to liquidated damages as identified herein and/or to other remedies available by law or Contract. Neither the MCC nor the Purchaser will incur additional costs related to Contractor's payment of such fees.

Taxes on Invoice:
Contractor shall calculate and enter the appropriate Washington State and local sales tax on all invoices. Tax is to be computed on new items after deduction of any trade-in in accordance with WAC 458-20-247.

6.5 OVERPAYMENTS TO CONTRACTOR

Contractor shall refund to Purchaser the full amount of any erroneous payment or overpayment under this Contract within thirty (30) days' written notice. If Contractor fails to make timely refund, Purchaser may charge Contractor one percent (1%) per month on the amount due, until paid in full.

6.6 AUDITS

The MCC Contract Administrator and/or the Purchaser reserves the right to audit, or have a designated third party audit, applicable records to ensure that the Purchaser has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing may be considered complete cause for Contract termination.

7.0 QUALITY ASSURANCE

7.1 RIGHT OF INSPECTION

Contractor shall provide right of access to its facilities to MCC, or any of MCC's officers, or to any other authorized agent or official of the state of Washington, or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract.

7.4 CONTRACTOR COMMITMENTS, WARRANTIES AND REPRESENTATIONS

Any written commitment by Contractor within the scope of this Contract shall be binding upon Contractor. Failure of Contractor to fulfill such a commitment may constitute breach and shall render Contractor liable for damages under the terms of this Contract. For purposes of this section, a commitment by Contractor includes: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by Contractor in its

Response or contained in any Contractor or manufacturer publications, written materials, schedules, charts, diagrams, tables, descriptions, other written representations, and any other communication medium accompanying or referred to in its Response or used to effect the sale to Purchaser.

7.5 WARRANTIES

Contractor warrants that all materials, supplies, services and/or equipment provided under this Contract shall be fit for the purpose(s) for which intended, for merchantability, and shall conform to the requirements and specifications herein. Acceptance of any materials, supplies, service and/or equipment, and inspection incidental thereto, by the Purchaser shall not alter or affect the obligations of the Contractor or the rights of the Purchaser.

7.6 PRODUCT WARRANTY

Warranty(ies): Unless otherwise specified, full parts and labor warranty period shall be for a minimum period of one (1) year after receipt of equipment or materials, or until the date the equipment is placed into service as reported by Purchaser pursuant to the warranty requirements, or 30 days after final payment for the equipment, whichever occurs first. Contractor shall be liable for all costs associated with warranty repair(s), including, but not limited to, materials, parts, labor, and transport of equipment that are disabled due to the failure of the equipment during the warranty period. This warranty must be honored by all authorized factory and/or manufacturer's dealerships.

Contractor shall afford the Purchaser an option to purchase an extension of the full parts and labor equipment warrant for an additional four (4) years at any time prior to the expiration of the initial warranty.

In the event of conflict between Contract terms and conditions and Contractor's submitted warranty, the Contract terms and conditions shall prevail; except, to afford the Purchaser maximum benefits, the MCC may avail itself of the Contractor's warranty if deemed more beneficial to the Purchaser.

7.7 DATE WARRANTY

Contractor warrants that all Products provided under this Contract: (i) do not have a life expectancy limited by date or time format; (ii) will correctly record, store, process, and present calendar dates; (iii) will lose no functionality, data integrity, or performance with respect to any date; and (iv) will be interoperable with other software used by Purchaser that may deliver date records from the Products, or interact with date records of the Products ("Date Warranty"). In the event a Date Warranty problem is reported to Contractor by Purchaser and such problem remains unresolved after three (3) calendar days, at Purchaser's discretion, Contractor shall send, at Contractor's sole expense, at least one (1) qualified and knowledgeable representative to Purchaser's premises. This representative will continue to address and work to remedy the failure, malfunction, defect, or nonconformity on Purchaser's premises. This Date Warranty shall last perpetually. In the event of a breach of any of these representations and warranties, Contractor shall indemnify and hold harmless Purchaser from and against any and all harm, injury, damages, costs, and expenses incurred by Purchaser arising out of said breach.

7.8 SOFTWARE WARRANTY

Contractor shall provide a replacement copy or correction service at no additional cost to Purchaser for any error, malfunction, or defect in Software that, when used as delivered, fails to perform in accordance with the specifications and that Purchaser shall bring to Contractor's attention. Contractor shall undertake such correction service as set forth below and shall use its best efforts to

make corrections in a manner that is mutually beneficial. Contractor shall disclose all known defects and their detours or workarounds to Purchaser.

7.9 SOFTWARE UPGRADES AND ENHANCEMENTS

Vendor shall:

1. Supply at no additional cost updated versions of the Software to operate on upgraded versions of operating systems, upgraded versions of firmware, or upgraded versions of hardware;
2. Supply at no additional cost updated versions of the Software that encompass improvements, extensions, maintenance updates, error corrections, or other changes that are logical improvements or extensions of the original Products supplied to Purchaser; and
3. Supply at no additional cost interface modules that are developed by Vendor for interfacing the Software to other Software products.

7.10 COST OF REMEDY

Cost of Remedying Defects: All defects, indirect and consequential costs of correcting, removing or replacing any or all of the defective materials or equipment will be charged against the Contractor.

8.0 INFORMATION AND COMMUNICATIONS

8.1 ADVERTISING

Contractor shall not publish or use any information concerning this Contract in any format or media for advertising or publicity without prior written consent from the MCC Contract Administrator.

8.2 RETENTION OF RECORDS

The Contractor shall maintain all books, records, documents, data and other evidence relating to this Contract and the provision of materials, supplies, services and/or equipment described herein, including, but not limited to, accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of seven (7) years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review, or audit by the MCC, personnel duly authorized by the MCC, personnel duly authorized by the Purchaser, the Washington State Auditor's Office, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the seven (7) year period, the records shall be retained until final resolution of all litigation, claims, or audit findings involving the records.

8.3 PROPRIETARY OR CONFIDENTIAL INFORMATION

To the extent consistent with Chapter 42.56 RCW, the Public Disclosure Act, the MCC shall maintain the confidentiality of Contractor's information marked confidential or proprietary. If a request is made to view Contractor's proprietary information, the MCC will notify Contractor of the request and of the date that the records will be released to the requester unless Contractor obtains a court order enjoining that disclosure. If Contractor fails to obtain the court order enjoining disclosure, the MCC will release the requested information on the date specified.

The MCC's sole responsibility shall be limited to maintaining the above data in a secure area and to notify Contractor of any request(s) for disclosure for so long as the MCC retains Contractor's information in the MCC records. Failure to so label such materials or failure to timely respond after notice of request for public disclosure has been given shall be deemed a waiver by Contractor of any claim that such materials are exempt from disclosure.

8.4 NON-ENDORSEMENT AND PUBLICITY

Neither the MCC nor the Purchasers are endorsing the Contractor's Products or Services, nor suggesting that they are the best or only solution to their needs.

Contractor agrees to make no reference to the MCC, any Purchaser or the state of Washington in any literature, promotional material, brochures, sales presentation or the like, regardless of method of distribution, without the prior review and express written consent of the MCC.

9.0 GENERAL PROVISIONS

9.1 GOVERNING LAW/VENUE

This Contract shall be construed and interpreted in accordance with the laws of the State of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9.2 SEVERABILITY

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, and to this end the provisions of this Contract are declared to be severable.

9.3 SURVIVORSHIP

All transactions executed for Products and Services provided pursuant to the authority of this Contract shall be bound by all of the terms, conditions, Prices and Price discounts set forth herein, notwithstanding the expiration of the initial term of this Contract or any extension thereof. Further, the terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive. In addition, the terms of the sections titled Overpayments to Contractor; Contractor's Commitments, Warranties and Representations; Protection of Confidential and Personal Information; Order of Precedence, Incorporated Documents, Conflict and Conformity; Non-Endorsement and Publicity; Retention of Records; Proprietary or Confidential Information; Disputes and Remedies; and Limitation of Liability shall survive the termination of this Contract.

9.4 INDEPENDENT STATUS OF CONTRACTOR

In the performance of this Contract, the parties will be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint venturers, or associates of one another. The parties intend that an independent contractor relationship will be created by this Contract. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever. Contractor shall not make any claim of right, privilege or benefit which would accrue to an employee under Chapter 41.06 RCW, or Title 51 RCW.

9.5 GIFTS AND GRATUITIES

Contractor shall comply with all state laws regarding gifts and gratuities, including but not limited to: RCW 43.19.1937 , RCW 43.19.1939, RCW 42.52.150, RCW 42.52.160, and RCW 42.52.170 under which it is unlawful for any person to directly or indirectly offer, give or accept gifts, gratuities, loans, trips, favors, special discounts, services, or anything of economic value in conjunction with state business or contract activities.

Under RCW 43.19.1937 and the Ethics in Public Service Law, Chapter 42.52 RCW state officers and employees are prohibited from receiving, accepting, taking or seeking gifts (except as permitted by RCW 42.52.150) if the officer or employee participates in contractual matters relating to the purchase of goods or services.

9.6 IMMUNITY AND HOLD HARMLESS

To the fullest extent permitted by law, Contractor shall indemnify, defend and hold harmless State, agencies of State and all officials, agents and employees of State, from and against all claims for injuries, death or damage to property arising out of or resulting from the performance of the Contract. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractors' agents, employees, representatives, or any subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to Contractor's or any subcontractor's performance or failure to perform the Contract. Contractor shall be required to indemnify, defend, and hold harmless the State only to the extent claim is caused in whole or in part by negligent acts or omissions of Contractor.

Contractor waives its immunity under Title 51 to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

9.7 PERSONAL LIABILITY

It is agreed by and between the parties hereto that in no event shall any official, officer, employee or agent of the State of Washington when executing their official duties in good faith, be in any way personally liable or responsible for any agreement herein contained whether expressed or implied, nor for any statement or representation made herein or in any connection with this agreement.

9.8 INSURANCE

General Requirements:

Contractor shall, at their own expense, obtain and keep in force insurance as follows until completion of the Contract. Upon request, Contractor shall furnish evidence in the form of a certificate of insurance satisfactory to the State of Washington that insurance, in the following kinds and minimum amounts, has been secured. Failure to provide proof of insurance, as required, will result in Contract cancellation.

Contractor shall include all Subcontractors as insureds under all required insurance policies, or shall furnish separate Certificates of Insurance and endorsements for each Subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

Specific Requirements:

Employers Liability (Stop Gap): The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable and will maintain Employers Liability insurance with a limit of no less than $1,000,000.00. The State of Washington will not be held responsible in any way for claims filed by the Contractor or their employees for services performed under the terms of this Contract.

Commercial General Liability Insurance: The Contractor shall at all times during the term of this Contract, carry and maintain commercial general liability insurance and if necessary, commercial umbrella insurance for bodily injury and property damage arising out of services provided under this Contract. This insurance shall cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or servants.

The insurance shall also cover bodily injury, including disease, illness and death, and property damage arising out of the Contractor's premises/operations, independent Contractors, products/completed operations, personal injury and advertising injury, and contractual liability (including the tort liability of another assumed in a business Contract), and contain separation of insured's (cross liability) conditions.

Contractor waives all rights against the State of Washington for the recovery of damages to the extent they are covered by general liability or umbrella insurance.

The limits of liability insurance shall not be less than as follows:

General Aggregate Limits (other than products-completed operations)	$2,000,000
Products-Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury Aggregate	$1,000,000
Each Occurrence (applies to all of the above)	$1,000,000
Fire Damage Limit (per occurrence)	$ 50,000
Medical Expense Limit (any one person)	$ 5,000

Business Auto Policy (BAP):

In the event that services delivered pursuant to this Contract involve the use of vehicles, or the transportation of clients, automobile liability insurance shall be required. The coverage provided shall protect against claims for bodily injury, including illness, disease, and death; and property damage caused by an occurrence arising out of or in consequence of the performance of this service by the Contractor, Subcontractor, or anyone employed by either.

Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a combined single limit not less than $1,000,000 per occurrence. The business auto liability shall include Hired and Non-Owned coverage.

Contractor waives all rights against the State of Washington for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

Additional Insurance Provisions:

All above insurance policies shall include, but not be limited to, the following provisions:

Additional Insured:

The State of Washington and all authorized Purchasers shall be named as an additional insured on all general liability, umbrella, excess, and property insurance policies. All policies shall be primary over any other valid and collectable insurance.

Notice of Policy(ies) Cancellation/Non-renewal:

For insurers subject to Chapter 48.18 RCW (Admitted and regulated by the Washington State Insurance Commissioner) a written notice shall be given to the director of purchasing or designee forty-five (45) calendar days prior to cancellation or any material change to the policy(ies) as it relates to this Contract. Written notice shall include the affected Contract reference number.

Surplus Lines:

For insurers subject to Chapter 48.15 RCW (Surplus Lines) a written notice shall be given to the director of purchasing or designee twenty (20) calendar days prior to cancellation or any material change to the policy(ies) as it relates to this Contract. Written notice shall include the affected Contract reference number.

Cancellation for Non-payment to Premium:

If cancellation on any policy is due to non-payment of premium, a written notice shall be given the director of purchasing or designee ten (10) calendar days prior to cancellation. Written notice shall include the affected Contract reference number.

Identification:

Policy(ies) and Certificates of Insurance shall include the affected Contract reference number.

Insurance Carrier Rating:

The insurance required above shall be issued by an insurance company authorized to do business within the State of Washington. Insurance is to be placed with a carrier that has a rating of A- Class VII or better in the most recently published edition of Best's Reports. Any exception must be reviewed and approved by the Risk Manager for the State of Washington, by submitting a copy of the Contract and evidence of insurance before Contract commencement. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and Chapter 284-15 WAC .

Excess Coverage:

The limits of all insurance required to be provided by the Contractor shall be no less than the minimum amounts specified. However, coverage in the amounts of these minimum limits shall not be construed to relieve the Contractor from liability in excess of such limits.

Limit Adjustments:

The state reserves the right to increase or decrease limits as appropriate.

9.9 INDUSTRIAL INSURANCE COVERAGE

The Contractor shall comply with the provisions of Title 51 RCW Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, the MCC may terminate this Contract. This provision does not waive any of the Washington State Department of Labor and Industries (L&I) rights to collect from the Contractor.

9.10 NONDISCRIMINATION

During the performance of this Contract, the Contractor shall comply with all applicable federal and state nondiscrimination laws, regulations and policies, including, but not limited to, Title VII of the Civil Rights Act, 42 U.S.C. section 12101 et. seq.; the Americans with Disabilities Act (ADA); and, Chapter 49.60 RCW, Discrimination – Human Rights Commission.

9.11 OSHA AND WISHA REQUIREMENTS

Contractor agrees to comply with conditions of the Federal Occupational Safety and Health Administration (OSHA) and, if manufactured or stored in the State of Washington, the Washington Industrial Safety and Health Act (WISHA) and the standards and regulations issued there under, and certifies that all items furnished and purchased will conform to and comply with said laws, standards and regulations. Contractor further agrees to indemnify and hold harmless MCC and Purchaser from all damages assessed against Purchaser as a result of Contractor's failure to comply with those laws, standards and regulations, and for the failure of the items furnished under the Contract to so comply.

9.12 ANTITRUST

The state maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the Purchaser. Therefore, the Contractor hereby assigns to the State of Washington any and all of the Contractor's claims for such price fixing or overcharges which arise under federal or state antitrust laws, relating to the materials, supplies, services and/or equipment purchased under this Contract.

9.13 WAIVER

Failure or delay of the MCC or Purchaser to insist upon the strict performance of any term or condition of the Contract or to exercise any right or remedy provided in the Contract or by law; or the MCC's or Purchaser's acceptance of or payment for materials, supplies, services and/or equipment, shall not release the Contractor from any responsibilities or obligations imposed by this Contract or by law, and shall not be deemed a waiver of any right of the MCC or Purchaser to insist upon the strict performance of the entire agreement by the Contractor. In the event of any claim for breach of Contract against the Contractor, no provision of this Contract shall be construed, expressly or by implication, as a waiver by the MCC or Purchaser of any existing or future right and/or remedy available by law.

10.0 DISPUTES AND REMEDIES

10.1 PROBLEM RESOLUTION AND DISPUTES

Problems arising out of the performance of this Contract shall be resolved in a timely manner at the lowest possible level with authority to resolve such problem. If a problem persists and cannot be resolved, it may be escalated within each organization.

In the event a bona fide dispute concerning a question of fact arises between MCC or the Purchaser and Contractor and it cannot be resolved between the parties through the normal escalation processes, either party may initiate the dispute resolution procedure provided herein.

The initiating party shall reduce its description of the dispute to writing and deliver it to the responding party. The responding party shall respond in writing within three (3) Business Days. The initiating party shall have three (3) Business Days to review the response. If after this review a resolution cannot be reached, both parties shall have three (3) Business Days to negotiate in good faith to resolve the dispute.

If the dispute cannot be resolved after three (3) Business Days, a Dispute Resolution Panel may be requested in writing by either party who shall also identify the first panel member. Within three (3) Business Days of receipt of the request, the other party will designate a panel member. Those two panel members will appoint a third individual to the Dispute Resolution Panel within the next three (3) Business Days.

The Dispute Resolution Panel will review the written descriptions of the dispute, gather additional information as needed, and render a decision on the dispute in the shortest practical time.

Each party shall bear the cost for its panel member and share equally the cost of the third panel member.

Both parties agree to exercise good faith in dispute resolution and to settle disputes prior to using a Dispute Resolution Panel whenever possible.

Unless irreparable harm will result, neither party shall commence litigation against the other before the Dispute Resolution Panel has issued its decision on the matter in dispute.

MCC, the Purchaser and Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Contract that are not affected by the dispute.

If the subject of the dispute is the amount due and payable by Purchaser for materials, supplies, services and/or equipment being provided by Contractor, Contractor shall continue providing materials, supplies, services and/or equipment pending resolution of the dispute provided Purchaser pays Contractor the amount Purchaser, in good faith, believes is due and payable, and places in escrow the difference between such amount and the amount Contractor, in good faith, believes is due and payable.

10.2 ADMINISTRATIVE SUSPENSION

When it is in the best interest of the state, the MCC may at any time, and without cause, suspend the Contract or any portion thereof for a period of not more than thirty (30) calendar days per event by written notice from the Contract Administrator to the Contractor's Representative. Contractor shall resume performance on the next business day following the 30th day of suspension unless an earlier resumption date is specified in the notice of suspension. If no resumption date was specified in the notice of suspension, the Contractor can be demanded and required to resume performance within the 30 day suspension period by the Contract Administrator providing the Contractor's Representative with written notice of such demand.

10.3 FORCE MAJEURE

The term "force majeure" means an occurrence that causes a delay that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences.

Exceptions: Except for payment of sums due, neither party shall be liable to the other or deemed in breach under this Contract if, and to the extent that, such party's performance of this Contract is prevented by reason of force majeure.

Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall likewise be provided. So far as consistent with the Rights Reserved below, the time of completion shall be extended by Contract Amendment for a period of time equal to the time that the

results or effects of such delay prevented the delayed party from performing in accordance with this Contract.

Rights Reserved: The MCC reserves the right to authorize an amendment to this Contract, terminate the Contract, and/or purchase materials, supplies, equipment and/or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the Purchaser.

10.4 ALTERNATIVE DISPUTE RESOLUTION FEES AND COSTS

In the event that the parties engage in arbitration, mediation or any other alternative dispute resolution forum to resolve a dispute in lieu of litigation, both parties shall share equally in the cost of the alternative dispute resolution method, including cost of mediator or arbitrator. In addition, each party shall be responsible for its own attorneys' fees incurred as a result of the alternative dispute resolution method.

10.5 NON-EXCLUSIVE REMEDIES

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

10.6 LIMITATION OF LIABILITY

The parties agree that neither Contractor, MCC nor Purchaser shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except a claim related to bodily injury or death, or a claim or demand based on patent, copyright, or other intellectual property right infringement, in which case liability shall be as set forth elsewhere in this Contract. This section does not modify any sections regarding liquidated damages or any other conditions as are elsewhere agreed to herein between the parties. The damages specified in the sections titled Termination for Default and Retention of Records are not consequential, incidental, indirect, or special damages as that term is used in this section.

Neither the Contractor, the MCC nor Purchaser shall be liable for damages arising from causes beyond the reasonable control and without the fault or negligence of the Contractor, the MCC or Purchaser. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of a governmental body other than the MCC or the Purchaser acting in either its sovereign or contractual capacity, war, explosions, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the delays must be beyond the reasonable control and without fault or negligence of the Contractor, the MCC or the Purchaser, or their respective Subcontractors.

If delays are caused by a Subcontractor without its fault or negligence, Contractor shall not be liable for damages for such delays, unless the Services to be performed were obtainable on comparable terms from other sources in sufficient time to permit Contractor to meet its required performance schedule.

Neither party shall be liable for personal injury to the other party or damage to the other party's property except personal injury or damage to property proximately caused by such party's respective fault or negligence.

10.7 FEDERAL FUNDING

In the event that a federally funded acquisition results from this procurement, the Contractor may be required to provide additional information (free of charge) at the request of the MCC or Purchaser. Further, the Contractor may be subject to those federal requirements specific to the commodity.

10.8 FEDERAL RESTRICTIONS ON LOBBYING

Contractor certifies that under the requirements of Lobbying Disclosure Act, 2 U.S.C., Section 1601 et seq., no Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

10.9 FEDERAL DEBARMENT AND SUSPENSION

The Contractor certifies, that neither it nor its "principals" (as defined in 49 CFR. 29.105 (p) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

11.0 CONTRACT TERMINATION

11.1 MATERIAL BREACH

A Contractor may be Terminated for Cause by the MCC, at the sole discretion of the Contract Administrator, for failing to perform a contractual requirement or for a material breach of any term or condition. Material breach of a term or condition of the Contract may include but is not limited to:

1. Contractor failure to perform services or deliver materials, supplies, or equipment by the date required or by an alternate date as mutually agreed in a written amendment to the Contract;
2. Contractor failure to carry out any warranty or fails to perform or comply with any mandatory provision of the Contract;
3. Contractor becomes insolvent or in an unsound financial condition so as to endanger performance hereunder;
4. Contractor becomes the subject of any proceeding under any law relating to bankruptcy, insolvency or reorganization, or relief from creditors and/or debtors that endangers the Contractor's proper performance hereunder;
5. Appointment of any receiver, trustee, or similar official for Contractor or any of the Contractor's property and such appointment endangers the Contractor's proper performance hereunder;
6. A determination that the Contractor is in violation of federal, state, or local laws or regulations and that such determination renders the Contractor unable to perform any aspect of the Contract.

11.2 OPPORTUNITY TO CURE

In the event that Contractor fails to perform a contractual requirement or materially breaches any term or condition, the MCC may issue a written cure notice. The Contractor may have a period of time in which to cure. The MCC is not required to allow the Contractor to cure defects if the opportunity for cure is not feasible as determined solely within the discretion of the MCC. Time allowed for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages, or otherwise affects any other remedies available against Contractor under the Contract or by law.

If the breach remains after Contractor has been provided the opportunity to cure, the MCC may do any one or more of the following:

1. Exercise any remedy provided by law;
2. Terminate this Contract and any related Contracts or portions thereof;
3. Procure replacements and impose damages as set forth elsewhere in this Contract;
4. Impose actual or liquidated damages;
5. Suspend or bar Contractor from receiving future Solicitations or other opportunities;
6. Require Contractor to reimburse the state for any loss or additional expense incurred as a result of default or failure to satisfactorily perform the terms of the Contract.

11.3 TERMINATION FOR CAUSE

In the event the Contract Administrator, in its sole discretion, determines that the Contractor has failed to comply with the conditions of this Contract in a timely manner or is in material breach, the Contract Administrator has the right to suspend or terminate this Contract, in part or in whole. The Contract Administrator shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within thirty (30) calendar days or as otherwise specified by the Contract Administrator, or if such corrective action is deemed by the Contract Administrator to be insufficient, the Contract may be terminated. The Contract Administrator reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged breach and pending corrective action by the Contractor or a decision by the Contract Administrator to terminate the Contract.

In the event of termination, the MCC shall have the right to procure for all Purchasers any replacement materials, supplies, services and/or equipment that are the subject of this Contract on the open market. In addition, the Contractor shall be liable for damages as authorized by law including, but not limited to, any price difference between the original Contract and the replacement or cover contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

If it is determined that: (1) the Contractor was not in material breach; or (2) failure to perform was outside of Contractor's or its Subcontractor's control, fault or negligence, the termination shall be deemed to be a "Termination for Convenience". The rights and remedies of the MCC and/or the Purchaser provided in this Contract are not exclusive and are in addition to any other rights and remedies provided by law.

11.4 TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, the MCC, at the sole discretion of the Contract Administrator, may terminate this Contract, in whole or in part by giving thirty (30) calendar days written notice beginning on the second day after mailing to the Contractor. If this Contract is so terminated, Purchasers shall be liable only for payment required under this Contract for properly authorized services rendered, or materials, supplies and/or equipment delivered to and Accepted by the Purchaser prior to the effective date of Contract termination. Neither the MCC nor the Purchaser shall have any other obligation whatsoever to the Contractor for such termination. This Termination for Convenience clause may be invoked by the MCC when it is in the best interest of the State of Washington.

11.5 TERMINATION FOR WITHDRAWAL OF AUTHORITY

In the event that the MCC and/or Purchaser's authority to perform any of its duties is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, the MCC may terminate this Contract, in whole or in part, by thirty (30) calendar days written notice to Contractor.

11.6 TERMINATION FOR NON-ALLOCATION OF FUNDS

If funds are not allocated to Purchaser(s) to continue this Contract in any future period, MCC may terminate this Contract by thirty (30) calendar days written notice to Contractor or work with Contractor to arrive at a mutually acceptable resolution of the situation. Purchaser will not be obligated to pay any further charges for materials, supplies, services and/or equipment including the net remainder of agreed to consecutive periodic payments remaining unpaid beyond the end of the then-current period. MCC and/or Purchaser agrees to notify Contractor in writing of such non-allocation at the earliest possible time.

No penalty shall accrue to the Purchaser in the event this section shall be exercised. This section shall not be construed to permit MCC to terminate this Contract in order to acquire similar materials, supplies, services and/or equipment from a third party.

11.7 TERMINATION FOR CONFLICT OF INTEREST

MCC may terminate this Contract by written notice to Contractor if it is determined, after due notice and examination, that any party to this Contract has violated Chapter 42.52 RCW , Ethics in Public Service, or any other laws regarding ethics in public acquisitions and procurement and performance of contracts. In the event this Contract is so terminated, the MCC and /or Purchaser shall be entitled to pursue the same remedies against Contractor as it could pursue in the event that the Contractor breaches this Contract.

11.8 TERMINATION BY MUTUAL AGREEMENT

The MCC and the Contractor may terminate this Contract in whole or in part, at any time, by mutual agreement.

11.9 TERMINATION PROCEDURE

In addition to the procedures set forth below, if the MCC terminates this Contract, Contractor shall follow any procedures the Contract Administrator specifies in the termination notice.

Upon termination of this Contract and in addition to any other rights provided in this Contract, Contract Administrator may require the Contractor to deliver to the Purchaser any property specifically produced or acquired for the performance of such part of this Contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The Purchaser shall pay to the Contractor the agreed upon price, if separately stated, for completed work and service(s) Accepted by the Purchaser, and the amount agreed upon by the Contractor and the Purchaser for (i) completed materials, supplies, services rendered and/or equipment for which no separate price is stated, (ii) partially completed materials, supplies, services rendered and/or equipment, (iii) other materials, supplies, services rendered and/or equipment which are Accepted by the Purchaser, and (iv) the protection and preservation of property, unless the termination is for cause, in which case the MCC and the Purchaser shall determine the extent of the liability of the Purchaser. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this Contract. The Purchaser may withhold from any amounts due the

Contractor such sum as the Contract Administrator and Purchaser determine to be necessary to protect the Purchaser against potential loss or liability.

The rights and remedies of the MCC and/or the Purchaser provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

After receipt of a termination notice, and except as otherwise expressly directed in writing by the Contract Administrator, the Contractor shall:

1. Stop all work, order fulfillment, shipments, and deliveries under the Contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, supplies, equipment and/or facilities in relation to the Contract except as is necessary to complete or fulfill such portion of the Contract that is not terminated;
3. Complete or fulfill such portion of the Contract that is not terminated in compliance with all contractual requirements;
4. Assign to the Purchaser, in the manner, at the times, and to the extent directed by the Contract Administrator on behalf of the Purchaser, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Purchaser has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
5. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Contract Administrator and/or the Purchaser to the extent Contract Administrator and/or the Purchaser may require, which approval or ratification shall be final for all the purposes of this clause;
6. Transfer title to the Purchaser and deliver in the manner, at the times, and to the extent directed by the Contract Administrator on behalf of the Purchaser any property which, if the Contract had been completed, would have been required to be furnished to the Purchaser;
7. Take such action as may be necessary, or as the Contract Administrator and/or the Purchaser may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which the MCC and/or the Purchaser has or may acquire an interest.

12.0 CONTRACT EXECUTION

12.1 PARTIES

This Contract ("Contract") is entered into by and between the state of Washington, acting by and through the Department of Enterprise Services, Master Contracts & Consulting (MCC), an agency of Washington State government ("MCC" or "State") located at 1500 Jefferson Street SE, Olympia WA 98501, and PPI a corporation licensed to conduct business in the state of Washington ("Contractor"), located at 18040 72nd Avenue S., Kent, Washington 98032 for the purpose of providing products and services for survey mapping equipment and supplies.

12.2 ENTIRE AGREEMENT

This Contract document and all subsequently issued amendments comprise the entire agreement between the MCC and the Contractor. No other statements or representations, written or oral, shall be deemed a part of the Contract.

This Contract sets forth the entire agreement between the parties with respect to the subject matter hereof and except as provided in the section titled **Contractor Commitments, Warranties and Representations**, understandings, agreements, representations, or warranties not contained in this Contract or a written amendment hereto shall not be binding on either party. Except as provided herein, no alteration of any of the terms, conditions, delivery, Price, quality, or Specifications of this Contract will be effective without the written consent of both parties.

12.3 ORDER OF PRECEDENCE, INCORPORATED DOCUMENTS, CONFLICT AND CONFORMITY

Incorporated Documents:

Each of the documents listed below is, by this reference, incorporated into this Contract as though fully set forth herein.

1. The MCC's Solicitation document #07812 with all attachments and exhibits, and all amendments thereto
2. Contractor's response to the Solicitation #07812;
3. The terms and conditions contained on Purchaser's Order Documents, if used; and
4. All Contractor or manufacturer publications, written materials and schedules, charts, diagrams, tables, descriptions, other written representations and any other supporting materials Contractor made available to Purchaser and used to affect the sale of the Product and /or Service to the Purchaser.

Order of Precedence:

In the event of a conflict in such terms, or between the terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal statutes and regulations.
2. Mutually agreed written amendments to this Contract.
3. This Contract Number 07812.
4. The MCC's Solicitation document with all attachments and exhibits, and all amendments thereto.
5. Contractor's response to the Solicitation.
6. Any other provision, term, or materials incorporated into the Contract by reference.

Conflict: To the extent possible, the terms of this Contract shall be read consistently.

Conformity: If any provision of this Contract violates any Federal or State of Washington statute or rule of law, it is considered modified to conform to that statute or rule of law.

12.4 LEGAL NOTICES

Any notice or demand or other communication required or permitted to be given under this Contract or applicable law (except notice of malfunctioning Equipment) shall be effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, (postage prepaid),), via facsimile or by electronic mail, to the parties at the addresses, fax numbers, or e-mail addresses provided in this section. For purposes of complying with any provision in this Contract or applicable law that requires a "writing," such communication, when digitally signed with

a Washington State Licensed Certificate, shall be considered to be "in writing" or "written" to an extent no less than if it were in paper form.

To Contractor at:
The PPI Group
18040 72nd Avenue S.
Kent, Washington 98032
Attn:
Ken Shersty, Vice President

Phone: (425) 251-9722
Fax: (425) 251-5482
E-mail: kens@theppigroup.com

To MCC at:
State of Washington
Department of Enterprise Services
Master Contracts & Consulting
Attn:
Robert Paulson, Jr., C.P.M.
Mail: Post Office Box 41017
Olympia, Washington 98504-1017

Street: 1500 Jefferson Street, SE
Olympia, WA 98501
Phone: (360) 407-9430
Fax: (360) 586-2426
E-mail: robert.paulson@des.wa.gov

Notices shall be effective upon receipt or four (4) Business Days after mailing, whichever is earlier. The notice address as provided herein may be changed by written notice given as provided above.

In the event that a subpoena or other legal process commenced by a third party in any way concerning the Equipment or Services provided pursuant to this Contract is served upon Contractor or MCC, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and MCC further agree to cooperate with the other party in any lawful effort by the other party to contest the legal validity of such subpoena or other legal process commenced by a third party.

12.5 LIENS, CLAIMS AND ENCUMBRANCES

All materials, equipment, supplies and/or services shall be free of all liens, claims, or encumbrances of any kind, and if the MCC or the Purchaser requests, a formal release of same shall be delivered to the respective requestor.

12.6 AUTHORITY TO BIND

The signatories to this Contract represent that they have the authority to bind their respective organizations to this Contract.

12.7 COUNTERPARTS

This Contract may be executed in counterparts or in duplicate originals. Each counterpart or each duplicate shall be deemed an original copy of this Contract signed by each party, for all purposes.

SIGNATURES

In Witness Whereof, the parties hereto, having read this Contract in its entirety, including all attachments, do agree in each and every particular and have thus set their hands hereunto.

This Contract is effective this 1st day of December, 2012. This is a Partial Award for State Contract 07812 for Topcon brand of survey and mapping equipment.

Approved
State of Washington
Department of Enterprise Services
Master Contracts & Consulting
1500 Jefferson Street, SE
Olympia, WA 98501

/s/
Signature

Robert Paulson, Jr. 11-28-12
Print or Type Name Date

Title: Contracts Specialist

/s/
Signature

Dale Colbert 11-28-12
Print or Type Name Date

Title: Purchasing Unit Manager

Approved
The PPI Group
18040 72nd Avenue S.
Kent, Washington 98032

/s/
Signature

Ken Shersty 11-6-2012
Print or Type Name Date

Vice President
Title

This section contains definitions of terms commonly used in Solicitations conducted by the State of Washington, Master Contracts & Consulting. Additional definitions may also be found in Chapter 43.19 RCW and WAC 200-300-015, and all terms contained herein will be read consistently with those definitions.

Acceptance	The materials, supplies, services, and/or equipment have passed appropriate Inspection. In the event that there is a formal Acceptance Testing period required in the Solicitation document then acceptance is formalized in writing. If there is no Acceptance Testing, acceptance may occur when the Products are delivered and inspected.
Acceptance Testing	The process for ascertaining that the materials, supplies, services, and/or equipment meets the standards set forth in the Solicitation, prior to Acceptance by the Purchaser.
Agency	Includes State of Washington institutions, the offices of the elective state officers, the Supreme Court, the court of appeals, the administrative and other departments of state government, and the offices of all appointive officers of the state. In addition, colleges, community colleges, and universities who choose to participate in State Contract(s) are included. "Agency" does not include the legislature.
All or Nothing	The result of a competitive Solicitation that requires that a Contract be executed with a single Bidder for delivery of goods and/or services. In the event that suppliers are unable to deliver the entirety of the goods and/or services required, no Contract is executed. No partial fulfillment opportunities are available as a result of the Solicitation. A method of award resulting from a competitive Solicitation by which the MCC will award the resulting Contract to a single Bidder. Also, a designation the Bidder may use in its Bid or Response to indicate its offer is contingent upon full award and it will not accept a partial award.
Alternate	A substitute offer of materials, supplies, services and/or equipment that is not at least a functional Equal in features, performance and use and which materially deviates from one or more of the specifications in a competitive Solicitation.
Amendment	A change to a legal document. For the purposes of a Solicitation document, an amendment shall be a unilateral change issued by the MCC, at its sole discretion.

Authorized Representative	An individual designated by the Bidder or Contractor to act on its behalf and with the authority to legally bind the Bidder or Contractor concerning the terms and conditions set forth in Solicitation, Bid and Contract documents.
Bid	A sealed written offer to perform a Contract to provide materials, supplies, services, and/or equipment in reply to an Invitation For Bid (IFB).
Bidder	A Vendor who submits a Bid or Proposal in reply to a Solicitation.
Business Days	Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.
Calendar Days	Consecutive days of the year including weekends and holidays, each of which commence at 12:00:01 a.m. and end at Midnight, Pacific Time. When "days" are not specified, Calendar Days shall prevail.
Contract	An agreement, or mutual assent, between two or more competent parties with the elements of the agreement being offer, acceptance, and consideration.
Contract Administrator	The person designated to manage the resultant Contract for the MCC. The primary contact for the MCC with Purchasers and Contractor on a specific Contract.
Contractor	Individual, company, corporation, firm, or combination thereof with whom the MCC develops a Contract for the procurement of materials, supplies, services, and/or equipment. It shall also include any Subcontractor retained by Contractor as permitted under the terms of the Contract.
Equal	An offer of materials, supplies, services and/or equipment that meets or exceeds the quality, performance and use of the specifications identified in a Solicitation.
Estimated Useful Life	The estimated time from the date of acquisition to the date of replacement or disposal, determined in any reasonable manner.
Inspection	An examination of delivered material, supplies, services, and/or equipment prior to Acceptance aimed at forming a judgment as to whether such delivered items are what was ordered, were properly delivered and ready for Acceptance. Inspection may include a high level visual examination or a more thorough detailed examination as is customary to the type of purchase, as set forth in the solicitation document and/or as agreed between the parties. Inspection shall be acknowledged by an authorized signature of the Purchaser.
Invitation For Bid (IFB)	The form utilized to solicit Bids in the formal, sealed Bid procedure and any amendments thereto issued in writing by the MCC. Specifications and qualifications are clearly defined.
Lead Time/After Receipt Of Order	The period of time between when the Contractor receives the order and the Purchaser receives the materials, supplies, equipment, or

(ARO)	services order.
Life Cycle Cost	The total cost of an item to the state over its Estimated Useful Life, including costs of selection, acquisition, operation, maintenance, and where applicable, disposal, as far as these costs can reasonably be determined, minus the salvage value at the end of its estimated useful life.
Master Contracts & Consulting	The MCC within the Washington Department of Enterprise Services, Services Division authorized under Chapter 43.19 RCW to develop and administer contracts for goods and services on behalf of state agencies, colleges and universities, non-profit organizations and local governments.
Order Document	A written communication, submitted by a Purchaser to the Contractor, which details the specific transactional elements required by the Purchaser within the scope of the Contract such as delivery date, size, color, capacity, etc. An Order Document may include, but is not limited to field orders, purchase orders, work order or other writings as may be designated by the parties hereto. No additional or alternate terms and conditions on such written communication shall apply unless authorized by the Contract and expressly agreed between the Purchaser and the Contractor.
Procurement Coordinator	The individual authorized by the MCC who is responsible for conducting a specific Solicitation.
Product	Materials, supplies, services, and/or equipment provided under the terms and conditions of this Contract.
Proposal	A sealed written offer to perform a Contract to supply materials, supplies, services, and/or equipment in reply to a Request For Proposal (RFP).
Purchaser	The authorized user of the Contract, as identified in the Solicitation, who may or actually does make purchases of material, supplies, services, and/or equipment under the resulting Contract.
Recycled Material	Waste materials and by-products that have been recovered or diverted from solid waste and that can be utilized in place of a raw or virgin material in manufacturing a product and consists of materials derived from post-consumer waste, manufacturing waste, industrial scrap, agricultural wastes and other items, all of which can be used in the manufacture of new or recycled products.
Recycled Content Product	A product containing recycled material.
Request For Proposal (RFP)	The form utilized to solicit Proposals in the formal, sealed Bid procedure and any amendments thereto issued in writing by the MCC. The specifications and qualification requirements are written in an outcome based form allowing for consideration of a broad range of different solutions to meet the procurement need.

Responsible	The ability, capacity, and skill to perform the Contract or provide the service required , including, but not limited to the character, integrity, reputation, judgment, experience, and efficiency of the Bidder; Further considerations may include, but are not limited to whether the Bidder can perform the contract within the time specified, the quality of performance of previous contracts or services, the previous and existing compliance by the Bidder with laws relating to the contract or services and such other information as may be secured having a bearing on the decision to award the contract:
Responsive	A Bid or Proposal that meets all material terms of the Solicitation document.
Response	A Bid or Proposal
Software	Software shall mean the object code version of computer programs licensed pursuant to this Contract. Software also means the source code version, where provided by Vendor. Embedded code, firmware, internal code, microcode, and any other term referring to software residing in the Equipment that is necessary for the proper operation of the Equipment is included in this definition of Software. Software includes all prior, current, and future versions of the Software and all maintenance updates and error corrections.
Solicitation	The process of notifying prospective Bidders that the MCC desires to receive competitive Bids or Proposals for furnishing specified materials, supplies, services, and/or equipment. Also includes reference to the actual documents used for that process, including: the Invitation For Bids (IFB) or Request For Proposals (RFP), along with all attachments and exhibits thereto.
State	The State of Washington acting by and through the MCC.
State Contract	The written document memorializing the agreement between the successful Contractor and the MCC for materials, supplies, services, and/or equipment and/or administered by the Master Contracts & Consulting on behalf of the State of Washington. "State Contract" does not include the following: • Colleges and universities that choose to purchase under RCW 28B.10.029 • Purchases made in accordance with state purchasing policy under Washington Purchasing Manual Part 6.11 Best Buy Program; • Purchases made pursuant to authority granted or delegated under RCW 43.19.190(2) or (3) • Purchases authorized as an emergency purchase under RCW 43.19.200(2); or • Purchases made pursuant to other statutes granting the Agency authority to independently conduct purchases of materials, supplies, services, or equipment.

Subcontractor	A person or business that is, or will be, providing or performing an essential aspect of the Contract under the direction and responsibility of the Contractor and with the agreement of the MCC.
Vendor	A provider of materials, supplies, services, and/or equipment.
Washington's Electronic Business Solution (WEBS)	The Vendor registration and Contractor notification system maintained by the Washington State Department of Enterprise Services located at: www.ga.wa.gov/webs.

APPENDIX B CONTRACTOR INFORMATION

1. **Company Name**: The PPI Group
   Address: 18040 72nd Avenue S.
   City: Kent State: Washington Zip: 98032
   Phone: (425) 251-9722 FAX: (425) 251-5482
   Washington State Department of Revenue Registration Tax number: 600 503 891
   Federal Tax ID No.: 93-0609421
   Company Internet URL Address: www.theppigroup.com

2. **Legal Status of the Contractor:** Corporation

3. **Contractor's Authorized Representative:**
   Name& Title: Ken Shersty, Vice President
   Phone: (425) 251-9722 FAX: (425) 251-5482 E-mail: kens@theppigroup.com

4. **Orders to be sent to:**
   Company Name: The PPI Group
   Address: 18040 72nd Avenue S.
   City: Kent State: Washington Zip: 98032
   Phone: (800) 558-5368 FAX: (425) 251-9722 E-mail: kens@theppigroup.com
   Internet address for company: www.theppigroup.com

5. **Billing will be from:**
   Company Name: The PPI Group
   Address: 6015 NE 80th Avenue
   City: Portland State: Oregon Zip: 97218
   Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: heatherc@ppigroup.com

6. **Payment to be sent to:**
   Company Name: The PPI Group
   Address: 6015 NE 80th Avenue
   City: Portland State: Oregon Zip: 97218
   Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: trisha@ppigroup.com

7. **Contact Person for Sales Reports to be filed with MCC:**
   Contact Person's Name: Ken Shersty
   Phone: (425) 251-9722 FAX: (425) 251-5482 E-mail: kens@ppigroup.com

8. **Minority/Women Owned Business (MWBE):** No:

APPENDIX B CONTRACTOR INFORMATION

9. **Reciprocity:** Firms bidding from California only: Is your firm currently certified as a small business under California Code, Title 2, Section 1896.12? N/A.

10. **Purchasing Cooperative Members:** (Ref. Section 1.6 of the Contract)

    A. **Washington State Political Subdivision:** Contractor agrees to sell the goods and services on this contract to political subdivisions which are members of the State of Washington Purchasing Cooperative (WSPC): Yes

    B. **Washington State Nonprofit Corporations:** Contractor agrees to sell the goods and services on this contract to nonprofit corporations which are members of the State of Washington Purchasing Cooperative (WSPC): Yes

    C. **Oregon Purchasing Cooperative Purchasing Program:** Contractor agrees to sell the goods and services on this contract to political subdivisions and nonprofit organizations which are members of the State of Oregon Cooperative Purchasing Program (ORCPP): Yes

    If required, indicate percent increase to bid pricing for delivery to State of Oregon DASCPP/ORCPP Members: 0%

11. **Brand of Equipment Offered:** Contractor is offering to supply and service the following brand of survey equipment: (Trimble, Leica, or Topcon).

    Manufacturer Name: Topcon

    Manufacturer Corporate Office (USA)

    Address: 7400 National Drive

    City/State: Livermore, California 94550

    Telephone number: (800) 443-4567

12. **Contractor's and/or product manufacturer's Internet website** listing contract products and reference price lists:

    Contractor's Internet website: www.theppigroup.com

    Manufacturer's Internet website: www.topconpositioning.com

13. **Order Lead-Time:**

    Orders for materials, equipment, supplies, or service currently in Contractor's inventory shall be delivered to customer within 5 calendar days after receipt of order (ARO).

    Orders for materials, equipment, supplies, or service not currently in Contractor's inventory and require placing an order with the manufacturer shall be delivered to customer within 15 calendar days after receipt of order (ARO).

14. **Bidder's Company Experience and History:** The PPI Group has been servicing the Pacific Northwest community since 1927 with offices in Kent, Washington and Portland, Oregon. The PPI Team consists of over 40 persons and we have technical specialists to help you find a solution to your survey or software requirements. Both offices feature full Service Repair Centers, as well as complete state of the art training facilities. We also have portable labs should you choose to do your training off-site. Our Service technicians have well over 150 years of service experience to meet the needs of today's demanding technologies. Equipment today is very technical and PPI Group prides itself in being able to

APPENDIX B CONTRACTOR INFORMATION

offer and service complete field to finish solutions. We pride ourselves in the ability to adapt to emerging technologies and offer the support and training that clients have come to expect from Survey Solutions provider.

15. Customer Training Plan:

The PPI Group has several Application Engineers as part of the training programs that we offer. The PPI Group has the ability to offer introductory training at time of installation as well as custom training to meet the needs of the organization. The PPI Group has developed curriculum that allows for complete field to finish production of Survey Data allowing for complete mapping in the field by the Surveyor. The PPI Group also offers customization of training programs to meet the software challenges that organizations face when trying to incorporate their data into different Software Design Packages such as Autodesk Civil3D. As each customer has unique needs, we choose to scope a training opportunity and cater to the customer's needs, to make sure of complete satisfaction of the purchase

16. Firmware/Software Upgrades:

Firmware and Software upgrades become available at different times throughout the year. PPI Technical experts check out each new upgrade before informing our clients of the new upgrades to help alleviate any problems. Pricing for upgrades is different for each piece of equipment purchase through Topcon/PPI Group. Pricing for upgrades is free while units are still under warranty.

17. Equipment Warranty: A copy of the equipment warranty is available from the Contractor upon request.

18. Warranty and Repair Stations:

Company Name: The PPI Group

Address: 18040 72nd Avenue S., Kent, Washington 98032

Phone: (425) 251-9722 FAX: (425) 251-5482 E-mail: alexs@theppigroup.com

Company Name: The PPI Group

Address: 6015 NE 80th Avenue, Portland, Oregon 97218

Phone: (503) 231-1576 FAX: (503) 231-4012 E-mail: tede@theppigroup.com

19. Equipment Return Policy:

PPI Group will charge a 15% restocking fee plus additional shipping charges should products be returned for restocking. Shipping charges will be based on the cost for shipping to the original destination of the order.

20. Sales Representatives and Territories Covered:

A. Name: Collin McCoy

Address: 18040 72nd Avenue S., Kent ,Washington 98032

Office Phone: (425) 251-9722 Mobile Phone: (360) 303-5739

FAX: (425) 251-5482 E-mail: collinm@theppigroup.com

Territory covered: I-90 North to Canada Border and East to Spokane and Idaho panhandle.

APPENDIX B CONTRACTOR INFORMATION

B. Name: Ken Shersty

Address: 18040 72nd Avenue S., Kent ,Washington 98032

Office Phone: (425) 251-9722 Mobile Phone: (425) 879-8215

FAX : (425) 251-5482 E-mail: kens@theppigroup.com

Territory covered: I-90 South to Central Washington along I-5 corridor to Coastline

C. Name: Dan Pacholl/Paul Rydell

Address: 6015 NE 80th Avenue, Portland, Oregon 97218

Office Phone: (503) 231-1576 Mobile Phone: (971) 409-6845 / (503) 913-8880

FAX: (503) 231-4012 E-mail: danielp@theppigroup.com / paulr@theppigroup.com

Territory covered: Southern Washington and Oregon

21. Contract Support

- Telephone Sales Service: Toll-free telephone numbers for over-the-phone customer service regarding products and services available through this contract. (800) 558-5368
- Technical Customer Support: Toll-free telephone number for use during normal business hours for customers to use for technical support and equipment/service problem solving. (800) 558-5368 or (800) 247-1927
- Order Development: Contractor provided telephone customer assistance in identifying survey performance requirements, order development problems, and written price quotes for equipment, service and supplies. (800) 558-5368 or (800) 247-1927

22. Subcontractor(s): N/A

APPENDIX C SPECIFICATIONS AND PRICE SHEETS

SPECIFICATIONS

The survey equipment and supplies offered and described herein shall meet the manufacturer's product specifications and contract award shall include the manufacturer's full product line for survey and mapping equipment, high definition survey equipment, and related supplies.

PRICE SHEETS

1. Payment Methods and Term:

Payment Terms: Net 30 days. Purchasing (charge) Cards accepted: Yes. Contractor accepts: VISA, MasterCard, American Express, and Discover

2. Discounts Off Manufacturer's Price List:

A. Topcon brand survey and GPS equipment and components/parts:

A fixed 5% discount off "Topcon Retail Price List" shall be applied for all categories of survey equipment and components/parts. A fixed 2.5% discount shall be applied to Topcon Scanning Equipment and associated accessories.

For high definition survey equipment a 2.5% discount shall be applied off "Topcon Retail Price List."

B. Allegro brand data collector: 5% discount off the price listed for Juniper systems Handheld Price List". Additionally, a 5% discount off the Topcon brand of data collector as shown in the price list for "Topcom Retail Price List" shall apply.

C. Carlson SurvCE software: 10% discount off "Carlson Software Retail Price List" shall be applied. Additionally, a 5% discount off the Topcom brand of software shall apply as shown in the Topcom Retail Price List – MAGNET Software".

E. Other supplemental equipment and supplies commonly ordered at the same time shall be available through this contract on an optional basis at the following discount:

- 15% discount – brand: Seco Manufacturing
- 2.5% discount – brand: FARO Scanners and Accessories
- 15% discount – brand: JL Darling Rite in Rain
- 15% discount – brand: Dutch Hill Tripods
- 10% discount – brand: Schonstedt Magnetic Locators
- 10% discount – brand: PPI Group Miscellaneous Survey Supplies
- 15% discount – brand: Keson Measuring Tapes and Measuring Wheels
- 15% discount – brand: Lufkin Measuring Tapes
- 10% discount – brand: Carlson Non SurvCE Software Products
- 5% discount – brand: Juniper Systems Non Allegro Data Collectors
- 5% discount – brand: Sokkia survey and supplies

APPENDIX C SPECIFICATIONS AND PRICE SHEETS

F. **Maintenance and Repair Parts** shall be provided at a 5% discount off Contractor's standard list of prices/charges.

G. **Maintenance and Repair Service/Labor** shall be provided at a 10% discount off Contractor's standard list of prices/charges

H. **Training charges** shall be provided through this contract for operation of survey equipment and software: (Reference Section 6.16 for more information)

- **2 hours initial training provided on new equipment at no additional charge.**
- **6 hours of additional new equipment training to supplement 2-hour free training session:** $900.00.
- **General hourly rate for training at customer site on customer's equipment:** $150.00/hour
- **Daily rate for training at customer site on customer's equipment:** $1,200.00*
- **Daily rate for training at contractor site on Contractor's equipment:** $2,400.00*

All travel and per diem costs are included in above training rates for instructors who reside within the States of Washington and Oregon. Travel and per diem costs for instructors who reside out-of-state are billable and negotiated with the customer on a case by case basis.

* Training equipment provided by either the customer or Contractor includes survey instruments, data collectors, and computers as needed. Training sessions will be limited to a maximum of 12 students, unless otherwise negotiated between the customer and the Contractor.