

PARTICIPATING ADDENDUM**CLOUD SOLUTIONS 2016-2026**Lead by the State of **Utah**

Master Agreement #: AR2472

Contractor: **CARASOFT TECHNOLOGY CORPORATION**Participating Entity: **STATE OF ILLINOIS**

The following products or services are included in this contract portfolio:

- *All products and accessories, except consulting/advisory services, statement of work services, and partner services, listed on the Contractor page of the NASPO ValuePoint website.*

Master Agreement Terms and Conditions:

1. Scope: This addendum covers **Cloud Solutions** lead by the State of *Utah* for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Officer for General Services.
2. Participation: This NASPO ValuePoint Master Agreement may be used by all governmental units and qualified not-for profit agencies authorized to use statewide contracts in the State of Illinois. Issues of interpretation and eligibility for participation are solely within the authority of the State of Illinois Chief Procurement Officer for General Services.
3. Access to Cloud Solutions Services Requires State CIO Approval: Unless otherwise stipulated in this Participating Addendum, specific services accessed through the NASPO ValuePoint cooperative Master Agreements for Cloud Solutions by state executive branch agencies are subject to the authority and prior approval of the State Chief Information Officer's Office. The State Chief Information Officer means the individual designated by the state Governor within the Executive Branch with enterprise-wide responsibilities for leadership and management of information technology resources of a state.
4. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Bethany Blackwell
Address:	1860 Michael Faraday Drive, Suite 100 Reston, VA 20190
Telephone:	703-230-7435
Fax:	703-871-8505
Email:	NASPO@carasoft.com

Participating Entity

Name:	Michelle Casey
Address:	401 S. Spring Street, Room 712, Springfield, IL 62706
Telephone:	217-494-5577
Email:	CPO. UPP@illinois.gov

5. PARTICIPATING ENTITY MODIFICATIONS OR ADDITIONS TO THE MASTER AGREEMENT

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

Participating Entity must check one of the boxes below.

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

☒ The following changes are modifying or supplementing the Master Agreement terms and conditions.

The Parties to this Participating Addendum are the State of Illinois acting through the undersigned Agency (collectively the State) and the Contractor. This Participating Addendum, consisting of the signature page and numbered sections listed above and below and any attachments referenced in this Participating Addendum, constitute the entire agreement between the Parties concerning the subject matter of the Participating Addendum, and in signing the Participating Addendum, the Contractor affirms that the Certifications and if applicable the Financial Disclosures and Conflicts of Interest attached hereto are true and accurate as of the date of the Contractor's execution of the Participating Addendum. This Participating Addendum supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the agreement. This Participating Addendum, Standard Certifications, and Financial Disclosures and Conflicts of Interest will prevail in the event of a conflict between this Participating Addendum and Master Contract AR 2472. This Participating Addendum can be signed in multiple counterparts upon agreement of the Parties.

Participating Addendum uses Illinois Procurement Gateway Certifications and Disclosures?

☒ Yes (IPG Certifications and Disclosures including FORMS B)

☐ No

5.1 DEFINITIONS:

5.1.1 "Chief Procurement Officer" means the chief procurement officer appointed pursuant to 30 ILCS 500/10-20(a)(4).

5.1.2 "Consulting services" means services provided by Contractor to advise and assist a governmental unit in solving specific management or programmatic problems involving the organization, planning, direction, control or operations of a governmental unit. The services may or may not rise to the level of professional and artistic as defined in the Illinois Procurement Code or the Standard Procurement Rules for the Chief Procurement Officer for General Services.

- 5.1.3 “Governmental unit” means State of Illinois, any State agency as defined in Section 1-15.100 of the Illinois Procurement Code, officers of the State of Illinois, any public authority which has the power to tax or any other public entity created by statute.
- 5.1.4 “Partner services” means a relationship that extends beyond monetary considerations, including but not limited to integration of another company’s products or services into Contractor’s products or services or the agreement to support a common standard or protocol.
- 5.1.5 “Purchase order” means the written request by a governmental unit or qualified not-for-profit agency for the personal property, supplies or services subject to this Participating Addendum. Purchase orders shall contain the scope of work, which includes the Service Level Agreement as defined in Master Agreement AR2472, data categorization, delivery, and invoice information. All terms and conditions in this Participating Addendum apply with full force and effect to all Purchase Orders unless the governmental unit or qualified not-for-profit agency making the Purchase Order specifically seeks exemption or replacement of those terms in its Purchase Order. All Purchase Orders made by governmental units under the authority of the Chief Procurement Officer incorporate with full force and effect all the terms and conditions in this Participating Addendum.
- 5.1.6 “Qualified not-for-profit agency” means any not-for-profit agency that qualifies under Section 45-35 of the Illinois Procurement Code and that either (1) acts pursuant to a board established by or controlled by a unit of local government or (2) receives grant funds from the State or from a unit of local government.
- 5.1.7 “Statement of work services” means unsolicited solutions provided by Contractor for needs not identified by the governmental unit.

5.2 JOINT AND COOPERATIVE PURCHASING

- 5.2.1 The personal property, supplies or services subject to this Participating Addendum shall be distributed or rendered directly to each governmental unit or qualified not-for-profit agency.
- 5.2.2 Contractor agrees to extend all terms and conditions, specifications, and pricing or discounts specified in the NASPO ValuePoint Master Agreement AR2472 for the items in this Participating Addendum to all authorized governmental units and qualified not-for-profit agencies. The personal property, supplies or services subject to this Participating Addendum shall be distributed or rendered directly to each governmental unit or qualified not-for-profit agency. Contractor shall bill each governmental unit or qualified not-for-profit agency separately for its actual share of the costs of the personal property, supplies or services purchased. The credit or liability of each governmental unit or qualified not-for-profit agency shall remain separate and distinct. Disputes between Contractor and governmental units or qualified not-for-profit agencies shall be resolved between the affected parties.

5.3 SUBCONTRACTORS:

- 5.3.1 All contactors, dealers, and resellers authorized in the State of Illinois as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement AR2472. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.
- 5.3.2 For purposes of this subsection, subcontractors are those specifically hired to perform all or part of the work covered by this Participating Addendum. If subcontractors will be utilized, Contractor must identify below the names and addresses of all subcontractors it will be entering into a contractual agreement that has an annual value of \$50,000 or more in the performance of this Participating Addendum, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected to receive pursuant to the Participating Addendum. Attach additional sheets as necessary.
- 5.3.3 Will subcontractors be utilized? ☒ Yes ☐ No
- Subcontractor Name: To be determined
 - Amount to be paid: To be determined
 - Address: To be determined
 - Description of work: To be determined
- 5.3.4 All contracts with the subcontractors identified above must include the Standard Certifications completed and signed by the subcontractor.
- 5.3.5 If the annual value of any the subcontracts is more than \$50,000, then the Contractor must provide to the State the Financial Disclosures and Conflicts of Interest for that subcontractor.
- 5.3.6 If the subcontractor is registered in the Illinois Procurement Gateway (IPG) and the Contractor is using the subcontractor's Standard Certifications or Financial Disclosures and Conflicts of Interest from the IPG, then the Contractor must also provide a completed Forms B for the subcontractor.
- 5.3.7 If at any time during the term of the Participating Addendum, Contractor adds or changes any subcontractors, Contractor will be required to promptly notify, in writing, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Participating Addendum. Any subcontracts entered into prior to award of the Participating Addendum are done at the Contractor's and subcontractor's risk.

5.4 WHERE SERVICES ARE TO BE PERFORMED:

Contractor will perform all material services under this contract in the United States. From time to time and in the ordinary course of its general business operations, Contractor may

provide services incidental to performance of this contract from locations outside the US. Contractor will provide further information on this on request. These services are not unique to this contract and are not separately priced under this contract.

5.5 PRICING

5.5.1 Type of Pricing: The Illinois Office of the Comptroller requires the State to indicate whether the Participating Addendum value is firm or estimated at the time it is submitted for obligation. The total value of this Participating Addendum is estimated.

5.5.2 Expenses Allowed: Expenses are allowed as provided in Master Agreement AR2472.

5.5.3 Discount: The State may receive a 0 % discount for payment within N/A days of receipt of correct invoice.

5.5.4 Contractor's Pricing: Attach additional pages if necessary.

5.5.4.1 Contractor's Price for the Initial Term: See the pricing in Master Agreement AR 2472.

5.5.4.2 Intentionally omitted.

5.6 TERM AND TERMINATION

5.6.1 TERM OF THIS CONTRACT: This Participating Addendum, has an initial term of date of execution to September 15, 2026. If a start date is not identified, the term shall commence upon the last dated signature of the Parties.

5.6.1.1 In no event will the total term of the Participating Addendum, including the initial term, any renewal terms and any extensions, exceed 10 years.

5.6.1.2 Contractor shall not commence billable work in furtherance of the Participating Addendum prior to final execution of the contract except when permitted pursuant to 30 ILCS 500/20-80.

5.6.2 INTENTIONALLY OMITTED

5.6.3 TERMINATION FOR CAUSE: The State may terminate this Participating Addendum, in whole or in part, immediately upon notice to the Contractor if: (a) the State determines that the actions or inactions of the Contractor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Contractor has notified the State that it is unable or unwilling to perform the participating addendum.

5.6.3.1 If Contractor fails to perform to the State's satisfaction any material requirement of this Participating Addendum, is in violation of a material provision of this Participating Addendum, or the State determines that

the Contractor lacks the financial resources to perform the Participating Addendum, the State shall provide written notice to the Contractor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the Participating Addendum or (b) enforce the terms and conditions of the Participating Addendum.

5.6.3.2 For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

5.6.4 TERMINATION FOR CONVENIENCE: The State may, for its convenience and with 30 days' prior written notice to Contractor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Contractor.

5.6.4.1 The Contractor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

5.7 AVAILABILITY OF APPROPRIATION: This Participating Addendum is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this Participating Addendum, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

5.8 REPORTING: Pursuant to Section 42 of Master Agreement AR2500, Contractor shall provide quarterly reports. Contractor shall provide Illinois specific quarterly usage reports until the expiration of the term. The reporting period and submission due date shall be on the following schedule:

Fiscal Year Quarter 1	July-September due October 31
Fiscal Year Quarter 2	October-December due January 31
Fiscal Year Quarter 3	January-March due April 30
Fiscal Year Quarter 4	April-June due July 31

5.9 ELECTRONIC PROCUREMENT:

- 5.9.1 The State of Illinois's eProcurement system, BidBuy, allows for the upload of multiple services and supplies. Contractor must complete and submit the file provided by the State within 30 days of receipt.
- 5.9.2 All Purchase Orders for agencies subject to the jurisdiction of the Chief Procurement Officer shall be made in the State's electronic procurement system unless an exception has been granted by the Chief Procurement Officer.
- 5.9.3 Contractor shall not accept any Purchase Order from an agency subject to the jurisdiction of the Chief Procurement Officer if the Purchase Order is not made in the State's electronic procurement system unless an exception has been granted by the Chief Procurement Officer.
- 5.9.4 Within 30 days of notification from the Chief Procurement Officer, Contractor shall not accept any Purchase Order from a governmental unit or qualified not-for-profit agency who is not subject to the jurisdiction of the Chief Procurement Officer unless the Purchase Order is made in the State's electronic procurement system.

5.10 STANDARD BUSINESS TERMS AND CONDITIONS

5.10.1 PAYMENT TERMS AND CONDITIONS:

- 5.10.1.1 Late Payment: Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 Ill. Adm. Code 900. This shall be Contractor's sole remedy for late payments by the State. Payment terms contained on Contractor's invoices shall have no force and effect.
- 5.10.1.2 Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this Participating Addendum by the Parties even if the effective date of the Participating Addendum is prior to execution.
- 5.10.1.3 Prevailing Wage: As a condition of receiving payment Contractor must (i) be in compliance with the Participating Addendum, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Department of Labor and are available on the Department's official website, which shall be deemed proper notification of any rate changes under this subsection. Contractor is responsible for contacting the Illinois Department of Labor to ensure understanding of prevailing wage requirements at 217-782-6206 or (<http://www.state.il.us/agency/idol/index.htm>).
- 5.10.1.4 Federal Funding: A purchase order may be partially or totally funded with Federal funds. If federal funds are expected to be used, then the

percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided in the contract.

- 5.10.1.5 Invoicing: By submitting an invoice, Contractor certifies that the supplies or services provided meet all requirements of the Participating Addendum and Master Agreement AR 2472, and the amount billed and expenses incurred are as allowed in Master Agreement AR2472. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Contractor may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.
- 5.10.1.6 Contractor shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, Contractor may request the applicable Agency/University state tax exemption number and federal tax exemption information.
- 5.10.1.7 Contractor shall invoice at the completion of the purchase unless invoicing is tied in the purchase order to milestones, deliverables, or other invoicing requirements agreed to in the purchase order.
- 5.10.1.8 Vendor shall bill each governmental unit separately for its actual share of the costs of the personal property, supplies or services purchased. The credit or liability of each governmental unit shall remain separate and distinct. Disputes between vendors and governmental units shall be resolved between the affected parties.
- 5.10.2 ASSIGNMENT: This Participating Addendum may not be assigned, transferred in whole or in part by Contractor without the prior written consent of the State.
- 5.10.3 SUBCONTRACTING: For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the Participating Addendum. Contractor must receive prior written approval from the Primary Contact before use of any subcontractors in the performance of this Participating Addendum. Contractor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Contractor in the performance of this Participating Addendum, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this Participating Addendum. If required, Contractor shall provide a copy of any subcontracts within 15 days after execution of this Participating Addendum. All subcontracts must include the same certifications that Contractor must make as a condition of this Participating Addendum. Contractor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State. If at any time during the term of the Participating Addendum, Contractor adds or changes any subcontractors, then Contractor must promptly notify, by written amendment to the Participating Addendum, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each

new or replaced subcontractor will receive pursuant to the Participating Addendum.

- 5.10.4 **AUDIT/RETENTION OF RECORDS:** Contractor and its subcontractors shall maintain books and records relating to the performance of the Participating Addendum or subcontract and necessary to support amounts charged to the State pursuant the Participating Addendum or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Contractor for a period of three years from the later of the date of final payment under the Participating Addendum or completion of the Participating Addendum, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay Participating Addendum or Purchase Order costs, the Contractor and its subcontractors must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency/University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Contractor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The Contractor or subcontractors shall not impose a charge for audit or examination of the Contractor's books and records. 30 ILCS 500/20-65.
- 5.10.5 **TIME IS OF THE ESSENCE:** Time is of the essence with respect to Contractor's performance of this Participating Addendum. Contractor shall continue to perform its obligations while any dispute concerning the Participating Addendum is being resolved unless otherwise directed by the State.
- 5.10.6 **NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.
- 5.10.7 **FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the Participating Addendum without penalty if performance does not resume within 30 days of the declaration.
- 5.10.8 **CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this Participating Addendum may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Participating Addendum. Contractor shall presume all information received from the State or to which it gains access pursuant to this Participating Addendum is confidential. Contractor information, unless clearly marked as confidential and exempt from disclosure

under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the Participating Addendum shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the Participating Addendum or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the Participating Addendum, in whatever form it is maintained, promptly at the end of the Participating Addendum, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

5.10.9 SECURITY REQUIREMENT FOR INFORMATION AND SYSTEMS. Contractor must ensure the following requirements are understood and allocate sufficient project time and resources to address the security requirements:

- 5.10.9.1 An information security risk assessment, data classification and system categorization process and the submission of a system security plan must be completed and submitted to the Department of Innovation & Technology, Division of Information Security prior to the commencement of system development or solution delivery activities. Vendor must participate with the risk assessment and data classification and system categorization process. The formal risk assessment, data classification and system categorization process will be administered by the Illinois Department of Innovation & Technology, Division of Information Security. Vendor program and project management personnel must ensure the coordination of these activities with State of Illinois program and project management personnel.
- 5.10.9.2 If not specifically addressed in other Vendor Information Technology Requirements, Vendor must adhere to State of Illinois and Illinois Department of Innovation & Technology technology and security Policies, Procedures, and Standards.
<https://www2.illinois.gov/sites/doit/support/policies/Pages/default.aspx>.
- 5.10.9.3 Vendor must also adhere to a minimum security baseline as identified in the National Institute of Standards and Technology (NIST) Special Publication 800-53, Revision 4, Security and Privacy Controls for Federal Systems and Organizations.
<http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>. If not specifically addressed in other Vendor Information Technology Requirements, Vendors must assure the adoption of, at minimum, the low security control baselines. Exceptions to this requirement must be approved by the Illinois Department of Innovation & Technology, Division of Information Security.

- 5.10.9.4 Cloud solutions must adhere to recommendations of the Cloud Security Alliance. Vendors may find guidance and cross-referencing to the NIST 800-53, Revision 4 with the Cloud Security Alliance controls at <https://cloudsecurityalliance.org/download/cloud-controls-matrix-v3-0-1/>.
- 5.10.9.5 State and Federal laws, rules and regulations as well as industry-specific guidelines require specific and often enhanced security controls on information and systems. The State of Illinois is required to comply with the below laws, standards and regulations. Vendors must ensure compliance with the below as appropriate based upon the formal risk assessment to include a data classification and system categorization process.
 - 5.10.9.5.1 Illinois Identity Protection Act (5 ILCS 179)
 - 5.10.9.5.2 Illinois Personal Information Protection Act (815 ILCS 530)
 - 5.10.9.5.3 The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99)
 - 5.10.9.5.4 Federal Bureau of Investigations Criminal Justice Information Services (CJIS) Security Policy, version 5.5, issued June 26, 2016
 - 5.10.9.5.5 Federal Centers for Medicare & Medicaid Services (CMS) MARS-E Document Suite, Version 2.0 Catalog of Minimum Acceptable Risk Security and Privacy Controls for Exchanges November 10, 2015.
 - 5.10.9.5.6 Federal Centers for Medicare & Medicaid Services Information Security Acceptable Risk Safeguards (ARS) CMS Minimum Security Requirements Version 2.0 September 20, 2013.
 - 5.10.9.5.7 Federal Internal Revenue Service (IRS) Publication 1075 Tax Information Security Guidelines for Federal, State and Local Agencies September 2016.
 - 5.10.9.5.8 Federal Information Security Modernization Act of 2014 Amends the Federal Information Security Management Act of 2002 (FISMA).
 - 5.10.9.5.9 Gramm-Leach-Bliley Act (GLB Act or GLBA), also known as the Financial Modernization Act of 1999.
 - 5.10.9.5.10 Health Insurance Portability and Accountability Act (P.L. 104-191), August 1996.

- 5.10.9.5.11 National Institute of Standards and Technology (NIST) Special Publication 800-53 Revision 4 Security and Privacy Controls for Federal Information Systems and Organizations.
- 5.10.9.5.12 Payment Card Industry (PCI) Data Security Standard (DSS) Version 3.2.
- 5.10.9.6 Vendor must complete a business impact analysis (BIA) in compliance with guidelines of the Illinois Department of Innovation & Technology, Division of Information Security. Vendor must complete an Information System Contingency Plan and Critical Infrastructure Contingency Plan which addresses the contingency and recovery requirements identified as part of the BIA. Contingency and recovery plans must be approved by the Department of Innovation & Technology, Division of Information Security prior to any information system commencing production. Vendor must agree to an initial on-site inspection, and annual on-site inspections of disaster recovery facilities by the state or a third-party acquired by the state at the discretion of the state.
- 5.10.9.7 Vendor must agree and assist with the facilitation of authenticated information system vulnerability scans to be conducted by the state or a third-party acquired by the state at the discretion of the state. These vulnerability scans must be completed prior to information systems commencing production, and high-risk vulnerabilities must be addressed prior to systems going into production.
- 5.10.9.8 The State may require the submission of an appropriate Service Organization Controls Report dependent upon the data and business processes supported by the vendor provided system or services. <http://www.aicpa.org/Pages/default.aspx>AICPA
- 5.10.10 **USE AND OWNERSHIP:** All work performed or supplies created by Contractor under this Participating Addendum, whether written documents or data, goods or deliverables of any kind, shall be deemed work for hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Contractor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Contractor may have to such work including any so-called "moral rights" in connection with the work. Contractor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this Participating Addendum.
- 5.10.11 **INDEMNIFICATION AND LIABILITY:** The Contractor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys'

fees and expenses, arising out of: (a) any breach or violation by Contractor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from Contractor's negligent performance; (c) any act, activity or omission of Contractor or any of its employees, representatives, subcontractors or agents; or (d) any actual or alleged claim that the services or goods provided under the contract infringing, misappropriating, or otherwise violating any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party. Neither Party shall be liable for incidental, special, consequential or punitive damages.

- 5.10.12 **INSURANCE:** Contractor shall, at all times during the term and any renewals maintain and provide a Certificate of Insurance naming the State as additionally insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days' notice has been provided to the State. Contractor shall provide: (a) General Commercial Liability occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Contractor's obligation to indemnify, defend, or settle any claims.
- 5.10.13 **INDEPENDENT CONTRACTOR:** Contractor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.
- 5.10.14 **SOLICITATION AND EMPLOYMENT:** Contractor shall not employ any person employed by the State during the term of this Participating Addendum to perform any work under this Participating Addendum. Contractor shall give notice immediately to the Agency's director if Contractor solicits or intends to solicit State employees to perform any work under this Participating Addendum.
- 5.10.15 **COMPLIANCE WITH THE LAW:** The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this Participating Addendum. Contractor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Contractor shall obtain at its own expense, all licenses and permissions necessary for the performance of this Participating Addendum.
- 5.10.16 **BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Contractor's and subcontractor's officers, employees or agents who perform on-site services. Contractor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background check.
- 5.10.17 **APPLICABLE LAW:** This Participating Addendum shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The

Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this Participating Addendum must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any Participating Addendum dispute. The State of Illinois does not waive sovereign immunity by entering into this Participating Addendum. The official text of cited statutes is incorporated by reference. An unofficial version can be viewed at (www.ilga.gov/legislation/ilcs/ilcs.asp).

- 5.10.18 ANTI-TRUST ASSIGNMENT: If Contractor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the Participating Addendum, then upon request of the Illinois Attorney General, Contractor shall assign to the State rights, title and interest in and to the claim or cause of action.
- 5.10.19 CONTRACTUAL AUTHORITY: When the Chief Procurement Officer signs a Participating Addendum on behalf of the State of Illinois, governmental units or and qualified not-for-profit agency, only the Agency, governmental unit or qualified not-for-profit agency or qualified not-for-profit agency that places an order with the Contractor shall have any liability to Contractor for that order.
- 5.10.20 NOTICES: Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the Participating Addendum using the Participating Addendum information following the signatures in the Participating Addendum or Purchase Order. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.
- 5.10.21 MODIFICATIONS AND SURVIVAL: Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this Participating Addendum officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Contractor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.
- 5.10.22 PERFORMANCE RECORD / SUSPENSION: Upon request of the State, Contractor shall meet to discuss performance or provide Participating Addendum performance updates to help ensure proper performance of the Participating Addendum. The State may consider Contractor's performance under this Participating Addendum and compliance with law and rule to determine whether to continue the Participating Addendum, suspend Contractor from doing future business with the State for a specified period of time, or to determine whether Contractor can be considered responsible on specific future contract opportunities.

- 5.10.23 FREEDOM OF INFORMATION ACT: This Participating Addendum and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) notwithstanding any provision to the contrary that may be found in this Participating Addendum or Master Agreement AR2472.
- 5.10.24 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.
- 5.10.25 WARRANTIES FOR SUPPLIES AND SERVICES:
- 5.10.25.1 Contractor warrants that the supplies furnished under this Participating Addendum will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Contractor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Contractor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.
- 5.10.25.2 Contractor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.
- 5.10.25.3 Contractor warrants that all services will be performed to meet the requirements of the Participating Addendum in an efficient and effective manner by trained and competent personnel. Contractor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the Participating Addendum, who is disruptive or not respectful of others in the workplace, or who in any way violates the Participating Addendum or State policies.
- 5.10.26 REPORTING, STATUS AND MONITORING SPECIFICATIONS: Contractor shall immediately notify the State of any event that may have a material impact on Contractor's ability to perform the Participating Addendum.
- 5.10.27 EMPLOYMENT TAX CREDIT: Contractors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 35 ILCS 5/216, 5/217. Please contact

the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.

6. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.
7. Software Licensing: Software subscription terms and software license terms and conditions shall be mutually agreed upon in writing by Contractor and the Chief Procurement Officer prior to use by executive branch governmental units.

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

Participating Entity/ Procuring Agency: State of Illinois Chief Procurement Officer for General Services	Contractor: Carahsoft Technology Corporation
Street Address: 401 S. Spring Street, Room 712 Springfield, Illinois 62706	Street Address: 1860 Michael Faraday Drive, Suite 100 Reston, VA 20190
City, State ZIP: Springfield, IL 62706	City, State ZIP: Reston, VA 20190
Signature:	Signature: Signature on File
Name: Ellen H. Daley	Name: Kristina Smith
Title: Chief Procurement Officer for General Services	Title: Contracts Manager
Date:	Date:

AGENCY USE ONLY**NOT PART OF CONTRACTUAL PROVISIONS**

- Agency Reference #: 16NVP1
- Project Title: Cloud Solutions Cooperative Purchasing
- Contract #:
- Procurement Method (IFB, RFP, Small Purchase, etc.): RFP
- IPB Reference #: 22037768
- IPB Publication Date: 1/19/16
- Award Code: M(30 ILCS 525/3)
- Subcontractor Utilization? ☒ Yes ☐ No Subcontractor Disclosure? ☐ Yes ☒ No
- Funding Source:
- Obligation #:
- Small Business Set-Aside? ☐ Yes ☒ No Percentage:
- Minority Owned Business? ☐ Yes ☒ No Percentage:
- Female Owned Business? ☐ Yes ☒ No Percentage:
- Persons with Disabilities Owned Business? ☐ Yes ☒ No Percentage:
- Veteran Owned Small Business? ☐ Yes ☒ No Percentage:
- Other Preferences?