

STATE OF VERMONT
CONTRACT AMENDMENT

It is hereby agreed by and between the State of Vermont, Department of Buildings and General Services, Office of Purchasing and Contracting (the "State") and Zones LLC with a principal place of business in Auburn, WA (the "Contractor") that the contract between them originally dated as of November 1, 2020, Contract #40900 as amended to date, (the "Contract") is hereby amended as follows:

- I. **Contract Term.** The Contract end date, wherever such reference appears in the Contract, shall be changed from October 31, 2022 to October 31, 2023. The Contract Term may be renewed for one additional one-year period at the discretion of the State.

Taxes Due to the State. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

Child Support (Applicable to natural persons only; not applicable to corporations, partnerships or LLCs). Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

Certification Regarding Suspension or Debarment. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Contractor further certifies under pains and penalties of perjury that, as of the date this contract amendment is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing-contracting/debarment>

Cybersecurity Standard Update 2022-01: Contractor confirms that all products and services provided to or for the use of the State under this Agreement shall be in compliance with *State of Vermont Cybersecurity Standard Update 2022 -01*, which prohibits the use of certain branded products in State information systems or any vendor system that is supporting State information systems, and is available on-line at: <https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives> .

State and Federal Terms for Products and Services. Contractor agrees that "STATE OF VERMONT- FEDERAL TERMS SUPPLEMENT (Non-Construction) for all Contracts and Purchases of Products and Services Using Federal Funds (Revision date: July 28, 2022)" which is attached as Attachment G to this amendment, applies to any products or services provided to the State, at any time, when using federal funds.

This document consists of 5 pages. Except as modified by this Amendment No. 1, all provisions of the Contract remain in full force and effect.

[Remainder of Page Intentionally Left Blank]

The signatures of the undersigned indicate that each has read and agrees to be bound by this Amendment to the Contract.

STATE OF VERMONT

ZONES LLC

By: _____

By: _____

Name: Jennifer M.V. Fitch

Name: _____

Title: BGS Commissioner

Title: _____

Date: _____

Date: _____

STATE OF VERMONT- FEDERAL TERMS SUPPLEMENT (Non-Construction)

for all Contracts and Purchases of Products and Services Using Federal Funds

(Revision date: July 28, 2022)

PROCUREMENT OF RECOVERED MATERIALS

In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated Items unless the products cannot be acquired-

1. Competitively within a time frame providing for compliance with the contract performance schedule;
2. Meeting contract performance requirements; or
3. At a reasonable price

Information about this requirement, along with the list of EPA-designated items, is available at the EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

The Contractor also agrees to comply with all other applicable requirements of section 6002 of the Solid Waste Disposal Act.

CLEAN AIR ACT

1. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The contractor agrees to report each violation to the State of Vermont and understands and agrees that the State of Vermont will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

FEDERAL WATER POLLUTION CONTROL ACT

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the State of Vermont and understands and agrees that the State of Vermont will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA. a. Standard. Non-Federal entities and contractors are subject to the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 180 and the Department of Homeland Security's regulations at 2 C.F.R. Part 3000 (Nonprocurement Debarment and Suspension).

CONTRACTOR BREACH, ERRORS AND OMISSIONS

1. Any breach of the terms of this contract, or material errors and omissions in the work product of the contractor must be corrected by the contractor at no cost to the State, and a contractor may be liable for the State's costs and other damages resulting from errors or deficiencies in its performance.
2. Neither the States' review, approval or acceptance of nor payment for, the services required under this contract shall be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the performance of this contract.
3. The rights and remedies of the State provided for under this contract are in addition to any other rights and remedies provided by law or elsewhere in the contract.

TERMINATION FOR CONVENIENCE

1. General

- a. Any termination for convenience shall be effected by delivery to the Contractor an Order of Termination specifying the termination is for the convenience of the Agency, the extent to which performance of work under the Contract is terminated, and the effective date of the termination.
- b. In the event such termination occurs, without fault and for reasons beyond the control of the Contractor, all completed or partially completed items of work as of the date of termination will be paid for in accordance with the contract payment terms.
- c. No compensation will be allowed for items eliminated from the Contract.
- d. Termination of the Contract, or portion thereof, shall not relieve the Contractor of its contractual responsibilities for work completed and shall not relieve the Contractor's Surety of its obligation for and concerning any just claim arising out of the work performed.

2. Contractor Obligations

After receipt of the Notice of Termination and except as otherwise directed by the State, the Contractor shall immediately proceed to:

- a. To the extent specified in the Notice of Termination, stop work under the Contract on the date specified.
- b. Place no further orders or subcontracts for materials, services, and/or facilities except as may be necessary for completion of such portion(s) of the work under the Contract as is (are) not terminated.
- c. Terminate and cancel any orders or subcontracts for related to the services, except as may be necessary for completion of such portion(s) of the work under the Contract as is (are) not terminated.
- d. Transfer to the State all completed or partially completed plans, drawings, information, and other property which, if the Contract had been completed, would be required to be furnished to the State.
- e. Take other action as may be necessary or as directed by the State for the protection and preservation of the property related to the contract which is in the possession of the contractor and in which the State has or may acquire any interest.
- f. Make available to the State all cost and other records relevant to a determination of an equitable settlement.

3. Claim by Contractor

After receipt of the Notice of Termination from the state, the Contractor shall submit any claim for additional costs not covered herein or elsewhere in the Contract within 60 days of the effective termination date, and not thereafter. Should the Contractor fail to submit a claim within the 60-day period, the State may, at its sole discretion, based on information available to it, determine what, if any, compensation is due the Contractor and pay the Contractor the determined amount.

4. Negotiation

Negotiation to settle a timely claim shall be for the sole purpose of reaching a settlement equitable to both the Contractor and the State. To the extent settlement is properly based on Contractor costs, settlement shall be based on actual costs incurred by the Contractor, as reflected by the contract rates. Consequential damages, loss of overhead, loss of overhead contribution of any kind, and/or loss of anticipated profits on work not performed shall not be included in the Contractor's claim and will not be considered, allowed, or included as part of any settlement.

STATE OF VERMONT STATEWIDE PURCHASING AGREEMENT #40900
FOR APPLE PRODUCTS

Contractor: ZONES LLC

1. **Parties.** This Agreement (“Agreement”) is a contract between the State of Vermont, through its Department of Buildings and General Services, Office of Purchasing & Contracting (hereinafter “State” or “Vermont”), and the Contractor identified above. It is the Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** This Agreement authorizes Purchasing Entities (defined herein) to purchase from Contractor the products and/or services offered by Contractor as identified herein at or below the rates established under this Agreement for such products and/or services.
3. **Purchasing Entities.** As authorized under 29 V.S.A. § 902, this Agreement may be used by (a) all departments, offices, institutions, and other agencies of the State of Vermont and counties (each a “State Purchaser”); and (b) political subdivisions of the State of Vermont and any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education (each an “Additional Purchaser”). Collectively, State Purchasers and Additional Purchasers are also referred to herein as a “Purchasing Entity” or “Purchasing Entities”. Issues concerning interpretation and eligibility for participation are solely within the authority of the State of Vermont Chief Procurement Officer. The State of Vermont and its officers and employees shall have no responsibility or liability for Additional Purchasers. Each Additional Purchaser must make its own determination whether this Agreement are consistent with its procurement policies and regulations.
4. **Contract Term.** This Agreement shall be effective on November 1, 2020 and end on October 31, 2022. Contractor agrees that this Agreement may be renewed by the State for up to two additional years beyond the initial term and in such event the parties shall execute an amendment to this Agreement.
5. **Available Products and Services.** The products and/or services listed in this section may be purchased under this Agreement, subject to the requirements for ordering established under this Agreement. Contractor agrees to provide such products and/or services subject to the terms and conditions of this Agreement.

| Apple Computer Products | | |
|--------------------------------|--------------------------------|--------------------------|
| Product Category | Product Description | Discount off list |
| 1 Desktops | Mac Mini | 6.5% |
| 1 Desktops | iMac | 6.5% |
| 1 Desktop | iMac Pro | 6.5% |
| 1 Desktops | Mac Pro | 6.5% |
| 2 Laptops | MacBook Air | 6.5% |
| 2 Laptops | MacBook Pro | 6.5% |
| 3 Tablets | iPad mini older model | 4.5% |
| 3 Tablets | iPad mini current model | 4.% |
| 3 Tablets | iPad Air Current Model | 7.5% |

| Product Category | Product Description | Discount off list |
|-----------------------------------|--|--------------------------|
| 3 Tablets | iPad Pro standard format current model | 7.5% |
| 3 Tablets | iPad Pro large format current model. | 7.5% |
| Peripherals & Services | Hardware Input Devices, cables, Power supplies, cases | 20% |
| Peripherals & Services | Repairs, extended warranties | 25% |

6. **Pricing Schedule.** Pricing, including discounts, for products and/or services available under this Agreement is set forth in the table above, and Contractor will maintain a dedicated website for purchasing under this Agreement. Purchasing Entities may solicit the Contractor for deeper discounts than the minimum contract pricing established under this Agreement (e.g., additional volume pricing, incremental discounts, firm fixed pricing or other incentives). Contractor shall list the State's contract pricing on a contract specific website listing the complete catalog of products available under this agreement.

7. **Requirements for Ordering.**

- a. All orders placed under this Agreement must, at a minimum, specify:
 - i. The product(s) being delivered and the place and time of delivery;
 - ii. The service(s) required and the place and time period for performance;
 - iii. The Purchasing Entity's billing address;
 - iv. The name and contact information for the Purchasing Entity's primary contact;
 - v. The price per unit, rates, or other pricing elements consistent with this Agreement;
 - vi. A maximum amount payable by the Purchasing Entity under the order;
 - vii. A unique identifier for the order; and
 - viii. The State of Vermont Statewide Purchasing Agreement Number.
- b. Orders funded in whole or in part by federal funds may include additional terms as necessary to comply with federal requirements.
- c. State Purchasers must follow the ordering procedures of the State Contract Administrator to execute orders against this Agreement.
- d. Orders placed by State Purchasers are subject to the following restrictions:
 - i. Purchases of a single product over \$5,000 require approval from the Secretary/CIO of the Agency of Digital Services.

8. Payment Provisions and Invoicing.

- a. Payment obligations shall be solely between the Purchasing Entity and the Contractor.
 - b. If applicable, all equipment pricing is to include F.O.B. delivery to the ordering facility. No request for extra delivery cost will be honored.
 - c. Payment terms are Net 30 days from the date the State receives an error-free invoice with all necessary and complete supporting documentation. Invoices shall itemize all work performed during the invoice period, including, as applicable, the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment. As applicable, a copy of the notice(s) of acceptance shall accompany invoices submitted for payment.
 - d. Invoices shall be sent to the address identified on the Purchasing Entity's order and must specify:
 - i. The address to which payments will be sent:
 - ii. The State of Vermont Statewide Purchasing Agreement Number; and
 - iii. The unique identifier for the order against which the invoice is being submitted.
 - e. Reimbursement of expenses is not authorized. All rates set forth in an order shall be inclusive of any and all Contractor fees and expenses.
 - f. Unopened Products can be returned with no restocking fee up to 30 days from the date of receipt.
 - g. The State Purchasing Card may be used by State Purchasers for the payment of invoices. Use of the Purchasing Card requires all required documentation applicable to the purchase. The Purchasing Card is a payment mechanism, not a procurement approach and, therefore, does not relieve State Purchasers from adhering to all procurement laws, regulations, policies, procedures, and best practices.
9. **No effect of Click-Through or Other Additional Terms and Conditions.** Where a Purchasing Entity is required to click-through or otherwise accept or made subject to any electronic terms and conditions to use or access any product or service purchased hereunder, such terms and conditions are not binding and shall have no force or effect as to the product or service, this Agreement, or the applicable order for the product or service. Further, any terms and conditions of each Party's purchase orders, invoices, acknowledgments, confirmations, or similar documents shall not apply to any order under this Agreement, and any such terms and conditions on any such document are objected to without need of further notice or objection.
10. **Reporting.** Contractor shall submit quarterly reports electronically detailing the purchasing of all items by all Purchasing Entities under this Agreement. Contractor's reporting shall detail the minimum requirements for orders as set out in section 7.a, above. Contractor's reporting shall state "no activity" for any month in which there is no activity during a quarterly reporting period.

- a. The reports shall be an excel spreadsheet transmitted electronically to SOV.ThePathForward@vermont.gov.
- b. Reports are due for each quarter as follows:

| Reporting Period | Report Due |
|--------------------------|------------|
| January 1 to March 31 | April 30 |
| April 1 to June 30 | July 31 |
| July 1 to September 30 | October 31 |
| October 1 to December 31 | January 31 |

- c. Failure to meet these reporting requirements may result in suspension or termination of this Agreement.
11. **Prior Approvals.** In accordance with current State law, bulletins, and interpretations, this Agreement shall not be binding until it has been approved by the Vermont Attorney General's Office, the Secretary of Administration, and the State's Chief Information Officer.
12. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this Agreement shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
13. **Termination.** This Agreement may be terminated by the State at any time upon 30 days prior written notice to the Contractor. Upon termination or expiration of this Agreement, each party will assist the other in the transfer of all assets, tangible and intangible, as may facilitate the orderly, non-disrupted business continuation of each party. This provision shall not relieve the Contractor or Purchasing Entity of their respective obligations under any order executed prior to the effective date of termination or other expiration of this Agreement.
14. **Primary Contacts.** The Parties will keep and maintain current at all times a primary point of contact for this Agreement, which are presently as follows:

a. **For the Contractor:**

Name: Zones LLC, Khawar Abbasi
 Address: 1102 15th ST SW, STE 102, Auburn, WA 98001
 Phone: 253/545-7348 Ext 57348
 Fax: 253/288-6795
 Email: khawar.abbasi@zones.com

b. **For the State:**

Name: State of Vermont, Stephen Fazekas
 Address: 109 State Street, Montpelier, VT 05633-3001
 Phone: 802/828-2210
 Fax: 802/828-2222
 Email: Stephen.fazekas@vermont.gov

15. **Attachments.** The following documents are made part of this Agreement and any ambiguity or conflict among them shall be resolved by giving priority to the documents in the order in which they are listed below.

- a. "Attachment C: Standard State Provisions for Contracts and Grants" a preprinted form, revised December 15, 2017 (available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>) is hereby incorporated by reference as if fully set forth herein and shall apply to this Agreement and all orders placed under this Agreement.
- b. "Attachment D: Other Provisions" is attached to this Agreement and incorporated herein and shall apply to all orders placed under this Agreement.
- c. If required in an order made by a State Purchaser under this Agreement, the terms and conditions of the State of Vermont Business Associate Agreement, revised May 2019 (available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>) shall be incorporated by reference and apply to the order.

By signing below Contractor agrees to offer the available products and services subject to the terms and conditions of this Agreement and at prices equal to or lower than the prices listed on this Agreement.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

By: ZONES LLC

Date: _____

Date: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

ATTACHMENT D
OTHER PROVISIONS

1. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

1.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no pending litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the services as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the services or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

1.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

- (i) Each and all of the services shall be performed in a timely, diligent, professional and skillful manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.
- (ii) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean

install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.

- (iii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

2. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$1,000,000.00 per claim, \$2,000,000.00 aggregate. To the extent Contractor has access to, processes, handles, collects, transmits, stores or otherwise deals with State Data, Contractor shall maintain first party Breach Notification Coverage of not less than \$500,000.00.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

- 3. REMEDIES FOR DEFAULT.** In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

4. SOV Cybersecurity Standard 19-01

All products and service provided to or for the use of the State under this Contract shall be in compliance with State of Vermont Cybersecurity Standard 19-01, which Contractor acknowledges has been provided to it, and is available on-line at the following URL:

<https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>